

**STATE TRANSPORTATION BOARD MEETING
IN PERSON WITH OPTIONAL TELEPHONIC/WEBEX ATTENDANCE**

9:00am, October 20, 2023

City of Yuma City Hall

One City Plaza

Yuma, Arizona 85364

Call to Order

Chairman Gary Knight called the State Transportation Board Meeting to order at 9:00 a.m.

Pledge

The Pledge of Allegiance was led by Floyd Roehrich, Jr.

Roll Call by Board Secretary, Sherry Garcia

A quorum of the State Transportation Board was present. **In attendance (in person):** Chairman Gary Knight, Board Member Ted Maxwell, Board Member Jesse Thompson, Board Member Jenny Howard, and Board Member Jackie Meck. Vice Chairman Richard Searle participated virtually via WebEx. Board Member Jenn Daniels was absent. There were approximately 68 members of the public on-line and approximately 40 attendees in person.

Opening Remarks

Chairman Knight reminded members of the public, to keep their computer or phone muted during the meeting, unless called to speak during the Call to Audience.

Title VI of the Civil Rights Act

Floyd Roehrich, Jr., read Title VI of the Civil Rights Act of 1964, as amended. Floyd, also reminded individuals to fill out survey cards, with the link shown on the agenda.

Call to the Audience

An opportunity was provided to members of the public to address the State Transportation Board. Members of the public were requested not to exceed a three minute time period for their comments.

ARIZONA STATE TRANSPORTATION BOARD
BOARD MEETING

REPORTER'S TRANSCRIPT OF PROCEEDINGS

BOARD MEETING

VIA WEBEX AND IN PERSON AT:

City of Yuma City Hall
One City Plaza
Yuma, Arizona 85364

October 20, 2023
9:00 a.m.

REPORTED BY:
TERESA A. WATSON, RMR
Certified Reporter
Certificate No. 50876

PREPARED FOR:
ADOT - STATE TRANSPORTATION BOARD

(Certified Copy)

1 REPORTER'S TRANSCRIPT OF EXCERPT OF ELECTRONIC
2 PROCEEDINGS, ADOT STATE TRANSPORTATION BOARD MEETING, was
3 reported from electronic media by TERESA A. WATSON, Registered
4 Merit Reporter and a Certified Reporter in and for the State of
5 Arizona.

6
7 PARTICIPANTS:

8 Board Members:

9 Gary Knight, Chairman
Richard Searle, Vice Chairman (Absent)
10 Jackie Meck, Board Member
Ted Maxwell, Board Member
11 Jesse Thompson, Board Member (via WebEx)
Jenn Daniels, Board Member (via WebEx)
12 Jenny Howard, Board Member

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CALL TO THE AUDIENCE

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1 (Beginning of excerpt.)

2 CHAIRMAN KNIGHT: So we'll move on now to call to
3 the audience. Remember that telephonically and WebEx, everyone
4 will be muted when they call in to the meeting. When your name
5 is called to provide your comments, you will indicate your
6 presence by virtually raising your hand using your phone keypad
7 or through the WebEx application. The WebEx host will guide you
8 through the unmuting and muting process following the
9 instructions included with the meeting agenda.

10 In person -- in person, there is opportunity for
11 members of the public to discuss items of interest with the
12 Board. Please fill out a Request for Public Input Form and give
13 it to the Board Secretary -- give it to the Board Secretary if
14 you wish to address the Board.

15 In both cases, whether it be virtually or in
16 person, in the interest of time, a three-minute limit will be
17 imposed.

18 So Floyd, if you will call the first speaker.

19 MR. ROEHRICH: Yes, sir, Mr. Chairman. We do
20 have speakers in person and online. I'll start with the
21 in-person speaker requests first.

22 Our first speaker is Mr. Bruce Bracker.
23 Supervisor Bracker.

24 MR. BRACKER: Ready to go?

25 Chairman Knight and members of the Board, my name

1 is Bruce Bracker. I am the vice chair of the Board of
2 Supervisors in Santa Cruz County.

3 I'm here to talk to you today about a recent
4 submittal from Santa Cruz County for a \$3.5 million AZ SMART
5 grant application to pay for the design phase for the I-19
6 interchanges at Ruby Road and Rio Rico Drive. This project also
7 includes the East Frontage Road.

8 Santa Cruz County has enjoyed a great working
9 relationship with Arizona Department of Transportation.
10 Together we've addressed key issues, including the modernization
11 of State Route 189. That was completed last year.

12 What happens in our community cannot be simply
13 seen as a local issue. We are the gateway to over \$30 billion
14 in trade. Our community is a critical nexus for national and
15 global supply chains. With more than 380,000 trucks, 3.7
16 million cars, you would think that we were a major metropolitan
17 community, but the reality is the entire county has a population
18 of under 50,000. We are small, but what happens here is felt
19 all over Arizona and North America.

20 In 2018, ADOT adopted/completed the DCR for this
21 project, providing us with a cost estimate of 2 point -- of
22 \$26.4 million. But due to inflationary impacts, supply changes
23 and challenges over the last five years, ADOT is projecting this
24 project at now \$56 million, and the need for the project
25 continues to grow.

1 The State budget that was approved this last year
2 included \$8.6 million to help pay for the modernization of these
3 key interchanges. This money has been transferred to Santa Cruz
4 County. Additionally, our Senior Senator, Kirsten Sinema, has
5 included a \$50 million ask as one of her top direct spending
6 requests in the U.S. Senate to help pay for this project.

7 Santa Cruz County is proposing to use half a
8 million dollars of the funding that was included in this year's
9 budget as a match for the AZ SMART grant. Additionally, a SMART
10 grant requires we will also be applying for the additional
11 federal funds to help pay for the other aspects of the project,
12 including the completing of the frontage road that connects
13 these interchanges.

14 But for those of you who have been to Santa Cruz
15 County, you know that the volume of trucks that rely on these
16 interchanges is growing day by day, but so is the regular car
17 traffic, as this intersection is the fastest growing residential
18 area in the county.

19 I would like to ask that once the AZ SMART
20 application comes to you, you give it your full consideration
21 and approval, as this project cannot wait.

22 Thank you very much for your time, and if you
23 have any questions, I'll be happy to answer them.

24 CHAIRMAN KNIGHT: Thank you, Supervisor. Thank
25 you.

1 MR. ROEHRICH: Our next speaker is Mayor Don
2 Huish. Mayor Huish.

3 MAYOR HUIH: Good morning, Chairman and members
4 of the Transportation Board. My name is Donald Huish, and I'm
5 the Mayor of the City of Douglas. I'm pleased to be standing
6 before you today, and I'm glad to have a chance to speak to you,
7 many of you during this recent wonderful Rural Transportation
8 Summit. Transportation is such an important component of our
9 lives and our futures.

10 I wanted to provide you a quick update on the
11 progress that has been made on our new port of entry at Douglas,
12 where the city is close to completing the Donation Acceptance
13 Agreement with the General Services Administration for the 80
14 acres that the City is donating to the federal government to
15 build a new commercial port of entry. This is where the General
16 Services will be building a new commercial port of entry at an
17 estimated cost of \$216 million in federal investment.

18 Most recently, GSA has indicated that due to
19 inflationary impacts and new technology requirements, the cost
20 of the project may increase by 30 to 40 percent, and that could
21 make the new port of entry close to \$300 million. But there are
22 other areas of need. Douglas and our local, regional and state
23 partners have been busy working on meeting the utility and
24 infrastructure needs required by the new port of entry. We
25 continue our efforts with several federal and regional

1 institutions in applying and securing grants needed to help pay
2 for the infrastructure and utility services needed to support
3 the new port of entry and the anticipated industrial and
4 commercial investment around the new facility.

5 Understanding what the new port -- what the new
6 port requires, we have embarked on a path to secure
7 approximately \$28 million in investment in water and wastewater,
8 electric, natural gas and broadband services, and I'm proud to
9 report that thanks to tireless work by our own city staff and
10 our partners in Cochise County and other stakeholders, we have
11 secured close to 13 million and have identified funding
12 opportunities for the balance. In 2022, the State of Arizona
13 awarded \$8.9 million for water and wastewater infrastructure
14 needed for the project.

15 I'm also happy to remind everyone that ADOT has
16 been -- has spent close to \$1.5 million for the Design Concept
17 Report and the environmental compliance required for the
18 project. ADOT has informed us that the DCR should be ready for
19 public comment by February of next year. Sounds far down the
20 road, but it's only five months, and only a month after Board
21 Member Howard's going to play golf here in Yuma. So it's coming
22 quick.

23 Earlier this year, by working with the state
24 legislators with the support of the Governor, \$8.2 million was
25 included in the budget to help pay for the construction of the

1 connector road. Initial estimates by SEAGO put the cost of the
2 connector road at approximately 12 to 14 million dollars when we
3 started this. We suspect that recent inflation and impacts and
4 supply chain challenges and wanting to make sure the road is
5 done right, we estimate it will be over 20 million. And I heard
6 another estimate this morning of probably at least \$30 million
7 for that connector road. I know that we will not have a final
8 settlement until the DCR is completed, but with the funding that
9 is already in hand, I think it's safe to say we're well on our
10 way to get there.

11 MR. ROEHRICH: Mayor, please. Your time is up.
12 Can you please...

13 MAYOR HUISH: Thank you, and I'd be happy to
14 answer any questions, and thank you for the opportunity to speak
15 in front of you.

16 CHAIRMAN KNIGHT: Thank you, Mr. Mayor.

17 MR. ROEHRICH: Our next speaker is Mr. Randy
18 Heiss. Mr. Heiss. Sorry.

19 MR. HEISS: Good morning. For the record, Randy
20 Heiss, Southeastern Arizona Governments Organization, Executive
21 Director.

22 I have two asks for you this morning. The first
23 is what Mayor Huish just talked about, the Douglas commercial
24 land port of entry connector road. As you heard Mayor Huish,
25 the importance of moving this project along into the next five-

1 year plan can't be overemphasized. It's my understanding that
2 GSA is getting a little nervous about this, because it's not in
3 our five-year plan. We haven't committed to the project.

4 So it's also my understanding, as you said, the
5 DCR should be completed, a preferred alternative known, and the
6 cost of that alternative understood by the end, sometime in
7 February. As I understand it, there's 8.2 million sitting in
8 account an of the City, and that was appropriated by the
9 Legislature last session in accordance with the efforts of the
10 Rural Transportation Advisory Council. As you know, that's a
11 big win.

12 The return on investment for projects
13 facilitating international trade and commerce are well known.
14 In fact, in this particular case, an economist forecasts that
15 10 million will be generated in GDP in the first year of
16 operation of that port and 20 million each year thereafter, and
17 so it's not hard to imagine how your return comes back to you in
18 a couple of years, right? So once that's operational, it's
19 going to bring benefits to the entire state. So please, let's
20 figure out how to scrape together the money necessary to get
21 that project in next year's five-year plan. I think that's
22 super important.

23 And thanks in advance. Remember that Mexico is
24 not just Arizona's number one trading partner anymore. It's
25 USA's number one. So with that in mind, let's get that done.

1 The second one is -- going to tag on to what
2 Supervisor Bracker just said, the application for AZ SMART
3 funds. So if you heard me say, developing that final design for
4 the I-19, Exits 12 and 17, is another critical need to support
5 international trade and commerce. You heard the numbers. I
6 don't need to repeat them. Again, return on investment, for
7 this project will be real. The economic benefits cannot be
8 understated, not just for Santa Cruz County, not just for the
9 state of Arizona, but for the entire United States of America.
10 So I strongly encourage you to approve that application when it
11 comes before you, and again, thanks in advance.

12 And lastly, as some of you have heard, after
13 almost 15 years as Executive Director for the Southeastern
14 Arizona Governments Organization, I'm going to be retiring on
15 January 16th. On September 11th, the Executive Board selected
16 Mr. Keith Dennis to lead the organization. Keith is currently
17 our Community and Economic Development Program Manager. I'll be
18 working closely with him for the next couple of months to
19 prepare him for his new responsibilities. I hope they do a good
20 job at that. And I hope to bring him to your November meeting
21 so I can introduce him to you.

22 And as for me, I don't know what's ahead as far
23 as my next phase of public service. Who knows? Maybe I'll be
24 cursed or blessed enough to sit up on the dias with some of you
25 and be tasked with some of the impossible investment choices you

1 guys are expected to make, and I appreciate your service. But
2 for now, I guess we'll see. And have a safe trip home.

3 CHAIRMAN KNIGHT: Thank you for your comments.

4 MR. ROEHRICH: Our next speaker is Supervisor
5 Mary Mallory. Supervisor Mallory.

6 MS. MALLORY: Good morning, Chairman and Board.

7 I just wanted to come up to thank you, actually,
8 in regards to the I-17. It is something that's very passionate
9 to my heart, and the work that's being done and appreciate all
10 those workers from ADOT out there. It is a hard task, no doubt,
11 and it is a costly one, but I know that it will benefit our
12 state tremendously, and so I just wanted to say thank you. I
13 know your job is hard, and we always have a lot of asks, but
14 we're here to work together, and I just wanted you to know how
15 much I appreciate everything that you do.

16 And the I-17, we started it before with a
17 different board, and so the way that you keep the vision going
18 is so important. I appreciate that, and thank you again.

19 And there's only one other thing I wanted to
20 bring up is in Yavapai County, we do have the State Route 69
21 that we're trying to get that little widening area done, and
22 we've got -- been at it now for a little over ten years. So I
23 know that it's in your paperwork and just wanted to give a
24 little reminder that we're still, you know, working on that one
25 as well.

1 So thank you. God bless all of you, and
2 appreciate your service. Thank you.

3 BOARD MEMBER: Thank you.

4 CHAIRMAN KNIGHT: Thank you, Supervisor Mallory.

5 MR. ROEHRICH: Our next speaker is Mayor Nancy
6 Smith. Mayor Smith.

7 MAYOR SMITH: Hello, and thank you for the
8 opportunity to speak. I'm Nancy Smith from the City of
9 Maricopa, and I'm here just to talk about some things that I'm
10 thankful for and some things that are a little bit of a
11 challenge.

12 First of all, I'm thankful for Director Toth for
13 coming out to the City of Maricopa and speaking to our Chamber
14 of Commerce. It's wonderful when we get a representative
15 directly out to the City to speak and help citizens and
16 businesses understand what's going on with ADOT.

17 I also want to thank ADOT for listening. We had
18 a meeting back in January about low-hanging fruit and what can
19 be done on 347 for safety, and we took the first step in making
20 the speed limit continuous down 347. It went up and down and up
21 and down, and they've now made it continuous, and that provides
22 for a more fluid flow of cars, and so we appreciate that. We
23 would like to know in regards to the other elements of
24 low-hanging fruit for safety on 347 what the status of those
25 pieces are.

1 And I also wanted to notify you that the citizens
2 of Maricopa, a group of them, have created a citizens group. I
3 did let our representative, Jenny Howard, know. I let ADOT
4 know. But we have a citizens group who is just frustrated with
5 the fact that, as an example, Riggs Road overpass received
6 funding two years ago, and we're nowhere near starting
7 construction, and it's slipping. And so they're frustrated,
8 because now we've had the funding for two years, no action and
9 it's slipping another year or two. And so you'll start to see
10 some information from those citizens because they are very
11 frustrated, and so I just want to give you a heads up. We did
12 ask them to be respectful in their comments, and hopefully they
13 will follow through with that.

14 We currently have just started this week a
15 project on 347 within the city. It has created a little bit of
16 chaos, and so we have asked ADOT to look at ways to make it less
17 chaotic. It takes some people an hour to get out of town during
18 rush hour in the morning. That's just to get out of town,
19 beyond the city limits. So anything that can be done there
20 would be very helpful.

21 And lastly, I just want to thank ADOT for being
22 the group that is constantly educating on the funding gap. To
23 me, the funding gap is huge. It's an opportunity to actually
24 look at things, evaluate things. How do we find a way to fill
25 that gap? And therefore, providing more revenue for more roads,

1 more maintenance, more...

2 And we shared yesterday that the State of Arizona
3 is in the bottom ten states for funding transportation, and we
4 need to find a way to fix that, and I appreciate that ADOT is
5 the group that's continuing to educate people on that. I
6 challenged yesterday the Governor's office, state legislators,
7 elected officials in the cities, elected officials in the
8 counties. Let's get together and find a way to fix this,
9 because it's important. It's critical. I heard a lot of -- I
10 don't want to say excuses --

11 MR. ROEHRICH: Mayor Smith, I apologize.

12 MAYOR SMITH: Thank you.

13 I heard a lot of reasons why we can't, but we
14 have to. We must. Thank you.

15 CHAIRMAN KNIGHT: Thank you, Mayor Smith.

16 MR. ROEHRICH: Our next speaker is Supervisor
17 Jeronimo Vasquez. Mr. Vasquez.

18 MR. VASQUEZ: Thank you. Good morning. My name
19 Jeronimo Vasquez. I'm the supervisor for District 2 in Coconino
20 County and current board chair. I also represent MetroPlan,
21 RTAC and (indiscernible) in Flagstaff.

22 And I just wanted to come up today to say thank
23 you for the SMART Fund money for the PROTECT grant match for
24 U.S. Highway 89. We still haven't received the federal grant,
25 but we do have the funding for the match, and so that's greatly

1 appreciated.

2 The SMART Fund is an important program, and we
3 would not have had the match to apply for that grant without the
4 funding that you provided. We hope to see it continue, and we
5 also will be advocating to the Legislature to expand eligibility
6 so any eligible applicant for federal funds such as transit can
7 make use of the fund. Right now it's a little restrictive, and
8 they have to go through counties or other entities, and so we
9 want to see that that flexibility be provided.

10 And then finally, I just wanted to say thank you
11 to the Yuma MPO for hosting a great summit. It was a great
12 event. A lot of work, but I learned a lot, and I look forward
13 to coming back to Yuma now that I've got to know it a little
14 better. So thank you.

15 CHAIRMAN KNIGHT: Thank you, Supervisor Vasquez.

16 MR. ROEHRICH: Our next speaker is Mr. Vinny
17 Gallegos. Excuse me. Vinny Gallegos. Mr. Gallegos.

18 MR. GALLEGOS: Good morning. I'm Vinny Gallegos,
19 Executive Director of the Central Yellow Plan Metropolitan
20 Planning Organization. Mr. Chair, we're glad we're able to
21 drive to you this time. So you travel the state. We appreciate
22 all the board members that travel all around.

23 I would really like to truly express just a deep
24 appreciation to Crystal Figueroa, the Yuma MPO staff. Having
25 had the opportunity to host the rural summit a time or two

1 before in Havasu and in Prescott, it's an incredible amount of
2 work. All the MPO and council of government staffs have full-
3 time jobs, have full plates. They have a lot going on.
4 Speaking as one, we're incredibly busy. And to take on this
5 event to host, I think she had 275 or more people, is a big, big
6 event, but it's also a great opportunity.

7 So I'm so glad to be here in Yuma. I'm very
8 glad -- if you didn't hear the announcement already, if you
9 weren't there -- that CYMPO, my organization, will be hosting
10 next year. It'll be the 25th anniversary. It's the silver
11 anniversary. And it's a great honor. It's a great opportunity
12 to bring rural Greater Arizona together.

13 The six small urbanized MPOs and the four
14 councils of government and then the rural parts of the Maricopa
15 Association of Governments, but to really come together, and
16 we've already heard it today on education, on opportunities, on
17 working together. It's an incredible audience. Our state
18 legislators, our local legislators, our staff, you know, we are
19 very fortunate to have most of our executive board members from
20 CYMPO there.

21 Our technical members, the ones that weren't able
22 to attend were due to family emergencies, but they really did
23 dedicate their time to come here this week to spend the time
24 together, and now we're going to go back and continue to rally
25 and work together. We recognize moving forward, but in this

1 next year through RTAC, Rural Transportation Advocacy Council,
2 again, we're going to be working with the Legislature on a
3 \$400 million request. That's important. That's valuable. So I
4 just really want to appreciate that.

5 We look forward to you all coming to Prescott a
6 year from now. As Supervisor Mallory referenced earlier, you'll
7 be traveling on Highway 69. We hope that's going to be breaking
8 ground soon with your approval. That's been over ten years with
9 the locals really working with ADOT. So we do appreciate you,
10 and again, thank you very much.

11 CHAIRMAN KNIGHT: Thank you, Vinny, and thank you
12 for your remarks.

13 MR. ROEHRICH: Our next speaker is Ms. Bryn
14 Stotler. Ms. Stotler.

15 MS. STOTLER: Good morning, Mr. Chair, members of
16 the Board. I'm Bryn Stotler. I'm a planner with CYMPO.

17 I want to echo the sentiments of Vinny Gallegos
18 and Member Howard. It's been a wonderful trip to Yuma. I've
19 been in Arizona for 35 years, and I had never been here. I'm a
20 little embarrassed to say that. It's a great community, and
21 we've enjoyed our stay. And I also want to echo the sentiments
22 of appreciation for Crystal Figueroa and her amazing team at
23 YMPO. They threw a great summit, and we can only aspire to
24 knock that out next year as well.

25 I wanted to talk to you for a moment about State

1 Route 69. The project that Vinny Gallegos just referenced has
2 been in the making for over ten years. Some six years ago,
3 during my first engagement with CYMPO -- I'm a return -- a
4 returning planner -- Chris Bridges and I, the former director,
5 traveled to Globe and stood in front of the Board and advocated
6 for that project to not be pulled from the expansion projects.
7 That was at a time when expansion was being fully eliminated,
8 and preservation was becoming more of the focus. And the Board
9 made wise decisions at that time and moved that project forward
10 as a critical need for Yavapai County.

11 I just wanted to express appreciation to this
12 board for continuing the difficult work of making decisions with
13 few resources, and we really appreciate the work of the Board
14 and the willingness to continue to consider this project. We do
15 hope that when we host you all next year for the summit that you
16 are able to travel that part of the corridor and see the
17 progress of that construction.

18 We're currently doing a 17-mile master corridor
19 study of Highway 69. So there are 16 more miles that we're
20 going to need to improve for capacity and safety improvements,
21 and that is also part of the critical freight corridor system of
22 our state.

23 So we do appreciate the work of the Board and
24 just wanted to express that to you today. Thank you.

25 CHAIRMAN KNIGHT: Thank you for your remarks.

1 MR. ROEHRICH: Our next speaker is Ms. Crystal
2 Figueroa. Lady of the hour. Congratulations on the rural
3 summit.

4 MS. FIGUEROA: Thank you so much.

5 Good morning, Mr. Chairman, Board Members. My
6 name is Crystal Figueroa. I'm the executive director of the
7 Yuma Metropolitan Planning Organization. On behalf of the MPO
8 Executive Board, I thank you for attending the 24th Rural
9 Transportation Summit held at the Hilton Yuma Pivot Point. It
10 was a well-attended conference with insightful information from
11 our federal and state partner agencies, federal highway and
12 federal transit administrations. We have, we have Karla Petty
13 present, Anthony Sarhan, Ray Tellis.

14 And while expanding this year's event to
15 attendees compared to COVID-19 pandemic years, the summit still
16 focused on bringing together our state and locally-elected
17 officials to discuss transportation issues for Greater Arizona.
18 We thank our legislative representatives present who became
19 involved in the discussions, including Representative Contreras,
20 Martinez, Cook, Carter, Sandoval and Senators Gabaldon, Carroll
21 and Hatathlie, to name a few.

22 We also have the opportunity to showcase the
23 Rural Transportation Advocacy Council's initiative for 40 million
24 of regional priority projects around the state for consideration
25 in the next year's legislative session.

1 Thank you to the State Transportation Board
2 Member Ted Maxwell for attending and participating in the
3 Transportation Sales Tax Initiative Update Panel.

4 Special thank you to Kristine Ward for the ADOT
5 revenue outlook, the ADOT Multimodal Planning Division Director
6 Paul Patane's staff, for Tribal Nations Partnership Program, the
7 Long-Range Transportation Plan, program updates and fund updates
8 as well.

9 Thank you to Mark Sanders for the keynote
10 conversation on border infrastructure and international trade
11 alongside Julie Cruz, Transportation Policy Advisor for Governor
12 Katie Hobbs. We really appreciate the state and federal
13 partnership. It was a great event with a great turnout.

14 Central Yavapi MPO, as Vinny mentioned, will be
15 hosting the next year's summit in Prescott, October 15th through
16 the 17th. I'm not sure if he's taking it to the full conference
17 similar to prior years. However, we've mentioned providing good
18 comments on the reduced conference, but again, thank you for
19 your time and for your service to the state.

20 CHAIRMAN KNIGHT: Thank you very much, Crystal,
21 for your comments.

22 MR. ROEHRICH: Mr. Chairman, those are the
23 requests that I have in person. I do have a couple who are
24 online.

25 Mayor Jorge Maldonado. Mayor Maldonado, if

1 you're on the line, please raise your hand.

2 (Indiscernible) I don't see any hand raised, so I
3 don't know if the mayor's online or having difficulties.

4 WEBEX HOST: I do not see any hands raised
5 either, and I did not see his name, but sir, if you are online,
6 you'll press star 3 if you're going by phone to raise your hand.
7 We'll give him a second and go back if necessary.

8 MR. ROEHRICH: Okay. Well, we'll go on to the
9 next speaker and see if the mayor is on, trying to...

10 Our next speaker is Mr. Kevin Biesty.
11 Mr. Biesty, please raise your hand.

12 Mr. Biesty, it looks like you're unmuted.

13 MR. BIESTY: Hello?

14 MR. ROEHRICH: Yeah. Kevin, we can hear you. Go
15 ahead. Please make your comments.

16 MR. BIESTY: Good morning, Mr. Chairman, members
17 of the State Transportation Board, Director Toth. For the
18 record, my name is Kevin Biesty, and I'm here virtually on
19 behalf of Freeport-McMoRan Bagdad.

20 I would like to thank you for your continued
21 support for improving SR-97 and give you a quick update on our
22 partnership, our current partnership with ADOT.

23 After the announcement in August of the grant
24 application for SR-97 improvements was not selected for a RAISE
25 grant, Yavapai County, ADOT and Freeport-McMoRan participated in

1 a grant (inaudible) with the USDOT. The team used this valuable
2 information for the preparation and submittal of a rural grant
3 application in late August.

4 We want to thank -- express our thanks to
5 Northwest District Administrator Anthony Brozich, Yavapai County
6 Public Works Director Roger McCormick and their teams, and to
7 the ADOT grants group for their assistance in putting this grant
8 application together.

9 As we await the award announcement to this latest
10 round of grants, here in probably early spring 2024, we will
11 continue to work with the department to identify all
12 opportunities available to fulfill the legislative federal match
13 required for the \$10 million appropriation and ensure that the
14 money does not revert back to the state General Fund.

15 In closing, I would be remiss if I didn't take a
16 moment to recognize that these grant applications involve a
17 great deal of time and energy to put together and to submit them
18 as well, and it involves many different teams at ADOT. So I'd
19 like to take a quick moment to publicly thank State Engineer
20 Greg Byres, Deputy Director Kristine Ward and their teams for
21 exemplifying ADOT's vision of being easy to work with,
22 collaborative and results focused.

23 Thank you for the opportunity to speak with you
24 this morning and for your service to the people of Arizona.

25 CHAIRMAN KNIGHT: Thank you. Thank you,

1 Mr. Biesty.

2 MR. ROEHRICH: Mr. Chairman, if Mayor
3 Maldonado -- if you're there, please raise your hand. And I
4 don't see him registered as an individual, but there are some
5 people on the phone. So if you're on the phone, Mayor, please
6 use star 3 to unmute your line, the phone line.

7 Yeah, Kelly, I'm not seeing anything.

8 WEBEX HOST: Neither am I, Floyd. I would say
9 continue on. And just a reminder, if you're going by phone,
10 star 3 to raise your hand. So continue, Floyd.

11 MR. ROEHRICH: Mr. Chairman, those are all the
12 requests that I have.

13 CHAIRMAN KNIGHT: Thank you, Floyd.

14 We'll move on to Item 1 on the agenda, which is
15 the Director's report.

16 DIRECTOR TOTH: Good morning, everyone. Thank
17 you. I apologize that I'm not able to be there in person. I do
18 have a family emergency and needed to stay back in the Valley.

19 I want to thank the YMPO for hosting the Rural
20 Transportation Summit. It sounded like a fabulous event that
21 happened and good conversation, which is always wonderful to
22 hear. And thank you to the mayor, council and city staff for
23 welcome (inaudible) with such hospitality.

24 I'd like to share a few quick updates with
25 everyone. As you've probably seen in multiple media reports,

1 ADOT was the subject of a recent Sunset review and two
2 performance audits generated by the Arizona Auditor General's
3 Office.

4 A quick bit of background. The Sunset review
5 process was established in 1978, and it's designed to evaluate
6 state agencies, determine their merits and to justify
7 continuation. There are 13 factors that each state agency is
8 measured on, and in addition to those thirteen factors, the
9 Auditor General selects other factors to review and will perform
10 one or more performance audits.

11 For ADOT's Sunset Audit, auditors focused on the
12 five-year construction process, state fleet consolidation, IT
13 control, highway maintenance, complaint processing, purchasing
14 cars, cash handling and MVD wait times. They also selected two
15 areas of performance audit. The MVD oversight of authorized
16 third-party providers and MVD oversight of commercial driver
17 license third-party.

18 The audit reports were issued in August and
19 September, and several recommendations were made by the
20 auditors. I do want to assure you and everyone that we do have
21 a plan in place to address each of the recommendations, and in
22 many areas we've already implemented the recommendations.

23 From here, the audit will be presented to the
24 legislative committees later this fall or at the beginning of
25 next year. The Auditor General's office will also review with

1 us at six months and the 18-month mark to determine if we have
2 implemented the recommendations. If the recommendations are not
3 all completed in that 18 months, they will continue to visit at
4 established interviews -- intervals, I should say, until all of
5 the recommendations have been implemented.

6 If you do get questions about the audit, please
7 don't hesitate to reach out to us and refer the constituents to
8 the agency. We're happy to talk through any questions that
9 people may have.

10 I also want to thank many ADOT employees who
11 worked to provide information to the Auditor General's office
12 for the audit. I'm very proud of the work that we're doing, and
13 I know that we will continue to keep on innovating and improving
14 in order to best serve our customers.

15 So speaking of the good work that our ADOT teams
16 are doing every day, I'll move on and share some of the recent
17 awards our employees have received.

18 First off, congratulations to the team at *Arizona*
19 *Highways* magazine. Their Instagram account was honored by the
20 *Phoenix New Times* with a Best of Phoenix Award. *Arizona*
21 *Highways* was praised for their account's (inaudible)
22 photography, obviously, and engaging captions. If you're not
23 following them on Instagram, you should definitely consider it.
24 They share a lot of great content that showcases all of Arizona.

25 Next, I want to share that Officer Morgan

1 Littleman, from our Enforcement Compliance Division, was
2 recognized as Officer of the Year at the Arizona Trucking
3 Association Conference, which was held in Tucson earlier this
4 month. That's a tremendous honor for Officer Littleman, and
5 we're certainly proud of her.

6 Last week, the I-10 Broadway Curve Improvement
7 Project Public Involvement Team won a few copper (inaudible)
8 awards from the Public Relations Society of America's
9 (inaudible) Chapter. The team earned top awards in the
10 newsletter and social media categories. The project also won an
11 award of merit. So they campaigned on a shoestring budget
12 category. These awards highlight the awesome work of our teams
13 and do -- the work that they do, share all the updates and
14 latest news about I-10 and Broadway Curve improvement project.

15 Finally, our ADOT Communications and Public
16 Involvement team learned just this week that they earned four
17 national awards during the 2023 AASHTO TransComm annual meeting.
18 TransComm is the Transportation Communications Committee for
19 AASHTO, and there were 38 categories and 184 entries from states
20 across the country, so some serious competition there.

21 Our ADOT team won in the transportation event
22 category for the Ready to Rumble I-10 Broadway Curve event.
23 They also earned the top award in TransComm's virtual public
24 involvement category for their public outreach efforts related
25 to the 2050 ADOT Long-Range Transportation Plan.

1 The team also won in the video production
2 category for our Sliding the Bridge video that gave viewers a
3 look at the SR-79 Gila River Bridge slide.

4 And finally, Doug Pacey, our Assistant
5 Communications Director For Digital Communications who was named
6 the 2023 TransComm TR Professional of the Year. That's a huge
7 honor, and we're very proud that Doug is on our team.

8 So on that note, I will hand things over for the
9 legislative report.

10 CHAIRMAN KNIGHT: Thank you, Director. And now
11 we'll have the legislative report.

12 MR. CASSELMAN: Good morning, Mr. Chairman, Board
13 Members. Just again, for the record, Anthony Casselman with
14 ADOT Government Relations Office.

15 Really not much to report from a legislative
16 perspective. One of the things I did want to mention is the
17 general effective date for all legislation passed during this
18 recent session is coming up in ten days. That's on October
19 30th. So really, from a state perspective, we're in the phase
20 of completing the bill implementation, and then we're also
21 ramping up and preparing for the next legislative session. As
22 Director Toth noted, part of that will be preparing for our
23 Sunset audit hearing later this fall, or again, early next year
24 with the Legislature.

25 From a federal perspective, the House is still

1 looking to elect a new speaker. There was another vote
2 scheduled this morning. Seeing a couple reports that that's --
3 that the vote is still going to fail for the election of the new
4 speaker.

5 The House and Senate voted on a continuing
6 resolution on September 30th. They avoided a government
7 shutdown and ensured the government remains funded for another
8 45 days until November 17th, but without another temporary
9 measure or prudent spending bills, we'll be facing another
10 government shutdown.

11 So that's my report. Happy to answer any
12 questions. Thank you.

13 CHAIRMAN KNIGHT: Does any member of the Board
14 have a question?

15 Yes, Ted.

16 MR. MAXWELL: Thank you, Mr. Chair. Probably
17 more of a comment.

18 As our eyes and ears of the Legislature for the
19 Board as they go through the budget discussions on how to solve
20 what looks like a shortfall to the budget for this year, we
21 appreciate if you could keep us informed probably on a timely
22 manner, probably more regularly than just at the monthly board
23 meeting so that we know if there are funding lines, one-time
24 funding lines that will be coming to infrastructure investments
25 so we can be aware of how much or hopefully how little that's

1 being put at risk.

2 MR. CASSELMAN: Thank you, Chairman, Board Member
3 Maxwell. Absolutely. And once the legislative session starts
4 again, we'll start doing the bill reports back to you again.
5 That will start up again, and we can certainly talk about other
6 ways to keep you informed of what's going on. Happy to do that.
7 Thank you.

8 MR. MAXWELL: Thank you very much. Thank you,
9 Mr. Chair.

10 CHAIRMAN KNIGHT: Thank you. Thank you, Ted.
11 Any other board members have a question?

12 MR. ROEHRICH: Better hurry up. He's on the
13 move.

14 CHAIRMAN KNIGHT: How about our --

15 MR. ROEHRICH: He's not waiting.

16 CHAIRMAN KNIGHT: How about our virtual members?
17 Any questions for them? Hearing none.

18 Any last minute items to report, Floyd?

19 MR. ROEHRICH: Mr. Chairman, no. That would
20 complete the director's report.

21 CHAIRMAN KNIGHT: Thank you.

22 We'll now move on to Item Number 2, the
23 district report with Bruce Fenske.

24 MR. FENSKE: Mr. Chairman, members of the Board,
25 I'd like to thank you for coming to Yuma and experiencing the

1 pleasures of the Southwest District, the warm temperatures we
2 have. Also like to thank you for the opportunity that you have
3 had to view our highways out in this area. Regardless of which
4 way you came, you probably noticed that we do have orange
5 construction cones and (inaudible).

6 This is really the first of two parts for a
7 presentation for you. You had the opportunity to return down
8 here in December. So today I'd like to follow up on yesterday's
9 Rural Transportation Summit, where there was a fair amount of
10 discussion that was brought forth by the Yuma Metropolitan
11 Planning Organization regarding its priorities and what it's
12 requesting for budget requests through RTAC.

13 The number one priority down here is the US-95
14 corridor. So at yesterday's transportation summit and probably
15 in the upcoming months, you're going to hear about everything
16 that's needed for US-95 in the future moving forward. I'd like
17 to take a moment now just to give you a little background on
18 US-95 so that you know where it has come from and how we got to
19 where we're at today.

20 US-95 corridor, when we talk about that, runs
21 from Avenue 9E to Aberdeen Road, and it encompasses the Yuma
22 Proving Grounds, YPG. YPG is the largest year-round employer
23 within Yuma County. You probably hear about agriculture down
24 here. That's the seasonal employer. Probably hear about the
25 winter visitors that like to come down here, and as much as we

1 like them, they are only seasonal also. YPG has their employees
2 running up and down, to and from work along the US-95 corridor
3 on a daily basis.

4 In 2011, the corridor had only 30 percent plans
5 prepared regarding its widening from a two-lane road to a --
6 either a four- or five-lane segment, depending upon the stretch.
7 The total cost of construction in 2011 was \$118 million. Well,
8 that was built upon the Design Concept Report, which was
9 completed in 2007. This 14-mile stretch of highway had an
10 estimated cost of just over \$82 million in 2006 dollars. So you
11 can see from 2006 to 2011, the cost had increased from an
12 estimated 82 million to \$118 million.

13 Also yesterday at the Rural Transportation
14 Summit, you had the opportunity to hear about the effects of
15 inflation on construction. Those effects are still going on,
16 and you may recall if you were at that conference and you had
17 the advantage of seeing the presentation by the Arizona General
18 Contractors that the Construction Cost Index is about 2.25 now.
19 So as we're about to pass 15 years, we've had 125 percent
20 inflation and construction costs. So the dollars and cents that
21 we talk about along US-95 moving forward are all speaking in
22 terms of today's dollars, and those costs may go up in the
23 future, but when everybody talks about dollars and cents, they
24 generally always talk about today's dollars.

25 So the US-95 corridor from 9E to Aberdeen Road

1 was split into segments so that each segment could be completed
2 at a more manageable cost, but also in a more manageable piece
3 of design and construction.

4 So here we have shown on the screen the US-95
5 corridor split up into the five segments. Segment one was the
6 Fortuna Wash Bridges, which was already completed for a cost of
7 \$10 million. Fortuna Wash, when it rained, out it flowed. When
8 it flowed, it went across the road. So now we have bridges so
9 that we don't have to go through an at-grade wash, and we are
10 able to have an all-season road, which is greatly appreciated.

11 We also have the Avenue 9E to Rifle Range Road
12 segment, which was completed at a cost of \$15 million, and the
13 currently under construction segment of Rifle Ranch Road to
14 Wellton-Mohawk Canal Bridge at just under \$24 million.

15 The two segments that are remaining are the
16 Wellton-Mohawk Canal Bridge to Imperial Dam Road segment and the
17 Imperial Dam Road to Aberdeen Road segment. Now, you can see
18 the escalating costs here, which reflect the effects of
19 inflation.

20 Fortuna Wash, which is segment one, and segment
21 two, the Avenue 9E to Rifle Range Road segment, those are
22 already complete. You can see that those look like such
23 reasonable costs in today's terms. Fortuna Wash was completed
24 in 2017. It took just over a year to finish it, and we now have
25 a grade separated wash and then an all-weather road. The Rifle

1 Range Road segment was completed earlier this year with final
2 acceptance at a cost of just over \$15 million. It also included
3 a bridge over one canal.

4 Rifle Range Road to Wellton-Mohawk Canal is
5 currently under construction, and it has an estimated completion
6 date of February 2024. That project, however, did get a slow
7 start to it, in part due to funding opportunities.

8 The US-95 corridor with its widening is not part
9 of the usual five-year construction program plan, as it is
10 funded through the Federal Highway Administration. It's
11 generally -- it's an unfunded project, and we have to rely upon
12 grant money as well as special line items in the state budget in
13 order to fund these segments. So the first couple of segments,
14 the bridges and then also the 9E to Rifle Range Road segment
15 were funded by special line items in the state budget.

16 This current segment here, Rifle Range Road to
17 Wellton-Mohawk Canal Bridge, actually, we came up with a
18 Department of Defense grant due to the fact that it benefits
19 YPG. That defense grant is paying approximately 48 percent of
20 the cost of this project, with the other 52 percent working
21 through the Federal Highway Administration with the normal
22 process that you're used to as far as funding for our highway
23 projects.

24 In the future, we still have several segments
25 that we're looking at. We're estimating construction right now,

1 at about \$130 million for the project. We have currently about
2 \$32 million, and that's a special line item in the state budget
3 for FY '24. Hopefully that money doesn't get swept, but
4 currently, that's the money that's available for construction.
5 That's leaving us with a deficit of \$93 million, and hence,
6 that's where YMPO came forward and has put forth a request for
7 \$40 million to complete construction on the next phase of the
8 corridor.

9 The design for the next phases of the corridor
10 are actually grants, which you have recently looked at and
11 approved, and we greatly appreciate that. We have received a
12 RAISE grant and an Arizona SMART Fund grant to fund the design
13 phases of the -- of the segments ranging from the Wellton-Mohawk
14 Canal up to Imperial Dam Road.

15 The one that we anticipate to be moving forward
16 to construction the soonest is the Imperial Dam Road to Aberdeen
17 Road segment. This is the segment which actually runs through
18 the Yuma Proving Grounds, but there's a lot of Yuma Proving
19 Grounds traffic on a daily basis internally within the YPG. It
20 includes a couple of tank crossings in there, because they have
21 test equipment that runs back and forth from one -- one side,
22 east to west, on the project lane. So you see here there's a
23 little schedule going forward. We have a contractor on board,
24 and we're anticipating an FY '25 bid ready date, which hopefully
25 we'll be able to move up. We have to coordinate our design link

1 and schedule, along with the opportunities that we have to apply
2 for federal grants.

3 At this time, I'd also like to say thank you to
4 YPG -- excuse me -- YMPO, who has helped us get grants in the
5 past from the Department of Defense for YPG and also is working
6 with us now to apply for grants in the future, possibly also
7 from the defense department, but we're still going to be relying
8 upon the State Legislature for sums of money, and hence, the
9 request that they're putting forth as a number one priority for
10 the region.

11 Also, moving forward in design at this time is
12 the Wellton-Mohawk Canal Bridge to Imperial Dam Road segment.
13 So between these two segments, we would be looking for funding
14 and grant opportunities, and by having the design completed on
15 these segments, then that provides the greatest flexibility for
16 us to look forward to grant opportunities.

17 With that brief history, I thank you again for
18 coming, and if you have any questions, I would welcome them.
19 Otherwise, I would turn the floor back over to the...

20 CHAIRMAN KNIGHT: Are there any questions from
21 the Board for Bruce?

22 MR. MAXWELL: I've got one, Gary. I've got one.

23 CHAIRMAN KNIGHT: Yes, Ted.

24 MR. MAXWELL: Mr. Fenske, thank you. So you
25 mentioned earlier, unless I misunderstood that, the Federal

1 Highway Administration plays a key role in some of the funding
2 for these projects as well?

3 MR. FENSKE: Well, the project that's currently
4 under construction is funded 52 percent by Federal Highways,
5 including the state matching funds that go along with that.

6 MR. MAXWELL: So I guess that's the question. I
7 know we have to find some funding for the projects that are not
8 done. Is it always a 52/48 share from --

9 MR. FENSKE: No, it's not -- it's not always that
10 percentage. It depends upon whether or not and how much
11 additional grant money is received.

12 MR. MAXWELL: Okay.

13 MR. FENSKE: It just happened to work out that
14 way on this.

15 MR. MAXWELL: So we have to -- in other words, we
16 have to have some amount of funding. You try to get as much as
17 possible, and then, hopefully, the Federal Highway
18 Administration comes up with the rest. I mean, it seems hard to
19 plan a road if you're not sure how much we have to raise in
20 order to get the federal government to come along as well. So
21 I'm just...

22 MR. FENSKE: Well, we're looking forward to the
23 30 percent design, which will give us the best and latest and
24 greatest cost estimate for the total project. We have been
25 relying on special line items in the state budget for this. We

1 were fortunate enough that we had a Defense Department grant
2 come along, and then in order for timing purposes, Federal
3 Highway funds were made available just to finish off that
4 particular segment, but the remaining segments are right now
5 unfunded outside of the special line item in the FY '24 budget,
6 which is about \$33 million on the table.

7 MR. MAXWELL: All right. Thank you, sir. I'd
8 like to talk to you more about that offline as far as advocacy
9 (inaudible) --

10 MR. FENSKE: Certainly.

11 MR. MAXWELL: -- (inaudible). So thank you.
12 Thank you, Mr. Chair.

13 Thank you, Ted.

14 Any other board members have any questions for
15 Bruce? How about any virtual members? Hearing none.

16 MR. FENSKE: Thank you.

17 CHAIRMAN KNIGHT: Thank you.

18 We will now move on to Item Number 3, the consent
19 agenda. Do any members of the Board have questions or comments
20 on the consent agenda at this time?

21 In that case, I will entertain a motion to
22 approve the consent agenda as presented.

23 MS. HOWARD: So moved.

24 MR. MECK: Second.

25 CHAIRMAN KNIGHT: I have a motion from Member

1 Howard, a second from Member Meck to approve the motioned
2 consent agenda as presented.

3 All those in favor signify by saying aye.

4 BOARD MEMBERS: Aye.

5 CHAIRMAN KNIGHT: Any opposed?

6 Floyd, would you poll our virtual members?

7 Board Member Daniels.

8 MS. DANIELS: Aye.

9 MR. ROEHRICH: Board Member Thompson.

10 MR. THOMPSON: Aye.

11 MR. ROEHRICH: Chairman, the motion carries.

12 CHAIRMAN KNIGHT: Thank you.

13 We'll now move on to Agenda Item Number 4, for
14 information and discussion only. Kristine Ward is up for our
15 financial report.

16 MS. WARD: Okay. (Inaudible) is good. Good
17 morning, Board Members. Let's see. Can you hear me okay?

18 So I have a very brief report this morning.
19 Let's start off with we were just talking about the status of
20 the funds and where we sit overall on revenues year to date. So
21 for our Highway User Revenue Fund, we're a little above forecast
22 with \$148 million collected in September, and we're at about
23 429 million collected year to date.

24 There's nothing significant going on in the
25 individual categories of revenues, and you can see for

1 September, we're a little over forecast, 1.6 percent over, but
2 nothing big to report out on the individual categories for
3 September.

4 That's a little different than the Regional Area
5 Road Fund, where we had a little bit of an unusual hiccup in the
6 month reporting. Now reporting out on August, because that
7 always lags behind. Regional Area Road Fund revenues always lag
8 behind because of the way they flow. So we're above forecast
9 with 62.5 million collected in August and about 123 million
10 collected year to date. Revenues exceeded forecasts
11 significantly this month due to a one-time influx from an audit
12 adjustment. This next slide will kind of point that out.

13 So if you look down into -- look at the "other"
14 category, you will see a very remarkable number of 361.7 percent
15 over last year, and 304 percent over forecast. And one might
16 say, well, my goodness. Why is that? Well, that is the -- this
17 is revenue that came from an audit that was conducted by the
18 Department of Revenue, and this is the receipts off of that
19 audit. Those originally, had they -- those monies been paid
20 originally, they would have fallen into the retail category, and
21 that audit covered kind of a three-year period.

22 So that kind of speaks to why the size of that
23 blip. There will be some additional amounts, smaller amounts in
24 the future. Keep in mind when we're doing forecasts, that's not
25 something we have insight into. So that's why you're kind of

1 seeing that variation from forecast. So if you were to take
2 that blip out, we'd only be out -- of .9 percent of forecast,
3 but, you know, whose going to turn down, you know, additional
4 revenues?

5 With that, I have nothing to report on the
6 federal or the bond program. I'd be happy to take any
7 questions.

8 CHAIRMAN KNIGHT: Does any member of the Board
9 have questions for Kristine?

10 MS. HOWARD: I just have a quick comment.

11 CHAIRMAN KNIGHT: Yes.

12 MS. HOWARD: Kristine, your presentation
13 yesterday was over the top, and you did so well at keeping
14 everyone involved and the way you portrayed the information, how
15 weak it was. You really did a great job. Thank you very much.

16 Mr. Chairman, Ms. Howard, thank you very much.

17 CHAIRMAN KNIGHT: Yes. That was a very good
18 presentation and part of why this one's so abbreviated.

19 MS. WARD: Yes, sir. I had enough yesterday.

20 CHAIRMAN KNIGHT: Are there any questions -- yes,
21 Ted.

22 MR. MAXWELL: On the blip, and blips always scare
23 me, because they generally go the other way, but this one --
24 this one's a good one. Was there a fundamental change in the
25 recognition of the retail revenue? Because I know you said it

1 will have some impact for -- you know, moving forward as well.
2 So it always bothers me if a number as big as that was somewhere
3 it shouldn't have been. So they -- have they changed the
4 recognition or what was the big finding out of the audit?

5 MS. WARD: So Mr. Knight, Mr. Maxwell, this, I
6 believe, is an audit that was conducted by the Department of
7 Revenue. So they do audits on all tax cuts. They have a whole
8 audit group, audits transaction, privilege tax, which is what
9 qualifies in this case, audit corporate, (inaudible) individual.
10 So they audit tax cuts, and we don't get any insight into those
11 audits. I mean, that -- and that's appropriate in terms of
12 confidentiality. So we don't -- when we asked more questions,
13 they politely declined to answer.

14 So I apologize if -- I can't get you more
15 insight. I -- we sought that out, but...

16 MR. MAXWELL: All right. I appreciate that. I
17 guess I understand that they wouldn't want to tell you what they
18 found. Just not happening. So appreciate the answer. Thank
19 you, Mr. Chair.

20 CHAIRMAN KNIGHT: Do we have any questions from
21 our virtual members?

22 MS. DANIELS: Yes, Chair. This is Jenn Daniels.

23 CHAIRMAN KNIGHT: Jenn, go ahead.

24 MS. DANIELS: Thank you.

25 Kristine, I did hear your presentation yesterday

1 was excellent. Would you be able to provide those slides to the
2 rest of us that were unable to participate in person?

3 MS. WARD: Mr. Knight, Ms. Daniels, absolutely.
4 They were provided to RTAC, and I think they were put up on the
5 webpage, but we will get those out. We'll just do a general
6 dissemination, if you'd like, to all the board members.

7 MS. DANIELS: Thank you. I appreciate it.

8 MS. WARD: Not a problem.

9 CHAIRMAN KNIGHT: Thank you, Jenn.
10 Any other questions from the Board?
11 Thank you, Kristine.

12 MS. WARD: Thank you, sir.

13 CHAIRMAN KNIGHT: We'll now move on to Agenda
14 Item Number 5, with Paul Patane, for information and discussion.
15 The Multimodal Planning Division report.

16 MR. PATANE: Good morning, Chairman Knight, Board
17 Members. I'm Paul Patane with the Multimodal Planning Division.
18 Thank you for coming to Yuma and providing -- we'll provide you
19 the update for the division report.

20 So today we'll talk about some of the tribal
21 transportation updates. Then we'll go into a little bit about
22 our Aeronautics Group. This is a follow-up request from Board
23 Member Maxwell that we'll talk about some of the programs along
24 with how we prioritize some of our state and local program
25 projects.

1 So this was part of the -- on the Wednesday
2 before the summit, if you're unable to make it, we were
3 fortunate enough to have a tribal nations partnership meeting.
4 It was well attended by many of the tribal partners throughout
5 rural Arizona, but we also were honored to have U.S. Office of
6 Secretary, Assistant Secretary, Tribal Government Affairs,
7 Arlando Teller. We also had Karla Patty from our Federal
8 Highway Administration, along with Ray Tellis from the Federal
9 Transit Administration. All provided updates in their
10 respective areas of happenings on the USDOT side of the house.

11 We also had the new members from the Bureau of
12 Indian Affairs for this region. They had some staff changes
13 that were turned over, so they were present as well. So it's
14 good information sharing, and one of the main topics was from
15 our environmental planning group related to the NEPA assignment
16 that ADOT or the State of Arizona has for the administration of
17 the NEPA.

18 I'm really happy to see that, you know, recently
19 we had the tribal summit. This -- then this was followed up by
20 the Rural Transportation Summit. Now at the Roads and Streets,
21 there's going to be a tribal session for that conference as
22 well. So the momentum is picking up. We're getting our tribal
23 partners more involved and understanding how the process works
24 for ADOT in different areas of project development,
25 environmental planning.

1 And so some of the tribal sessions that will be
2 included, the Roads and Streets Conference is coming up
3 November 1st through the 3rd, and I believe it's in Tucson. And
4 so anyway, some of the topic sessions include the Hopi Tribe
5 partnership and development and some on transportation, safety
6 and planning, along with a recap from the lessons learned from
7 the Tribal Traffic Safety and Injury Prevention Summit, along
8 with the introduction to our ADOT Native Nations Team, because
9 our -- we are building up staff internal to help support and do
10 the outreach necessary for the tribal consultation that's needed
11 for delivery of our programs.

12 Then recently we completed -- our -- staff from
13 the Native Nations, Ambassador Dezbah Hatathli, she recently
14 completed the requirement that -- associated with Arizona
15 Revised Statutes as far as the -- our tribal -- consultation in
16 the report that summarizes our agency's activities to ensure we
17 are complying with the required statutes and making sure that
18 everybody is doing what's required and -- as far as the
19 consultation.

20 And this report, we can make it available to the
21 Board. We should have had it part of the package. I apologize
22 for that, but we'll make sure that we get it out to the Board.

23 Then some of our northern region activities.
24 It's an ongoing collaboration that we have. Some of the topics
25 at these meeting vary from highway operations issues, flooding,

1 flooding and road congestion, along into some of the planning
2 requirements that we -- that tribals are -- our partners know
3 about. It could be, you know, stuff from the NEVI plan. Just
4 trying to get more outreach through these partnerships. And we
5 can break the regions into the northern and southern regions,
6 and there's a list of the meetings that were held over the last
7 month.

8 There our southern region activity was focused on
9 SR-86 wildlife crossing project. This is with the Tohono Nation
10 Schuk Toak District, and so we just follow up on some project
11 development activities making sure that they were up to speed
12 and all the activity associated with that project.

13 Any questions related to the tribal updates for
14 this month?

15 CHAIRMAN KNIGHT: Any board member have a
16 question for Paul?

17 MR. THOMPSON: Chairman.

18 CHAIRMAN KNIGHT: Yes. That's Jesse. Go ahead.

19 MR. THOMPSON: I just wanted to express my
20 appreciation of the amount of outreach that is happening by ADOT
21 staff going out to the rural and remote areas, including the
22 Native American communities, and there appear to be -- appear to
23 be more interest in learning more about how we can work together
24 and assist them with their transportation needs and let them
25 also enlighten us on, you know, what are some of the important

1 issues pertaining to transportation. So again, Paul, thank you
2 and the staff. Really appreciate all of you.

3 MR. PATANE: Board Member Knight -- Chairman
4 Knight, Board Member Thompson, thank you for that comment. And
5 just want to -- real quick, we were up -- the director and I, we
6 were going up to -- met with the -- with our Hopi tribal
7 partners. We took a tour of Route 264 and try and get an
8 understanding of their concerns, and I think a lot of it is for
9 us to be there and to understand what some of their unique
10 situations are along their roadways.

11 CHAIRMAN KNIGHT: Are there any questions or
12 comments for Paul? Thank you, Paul.

13 So now we'll move on to --

14 MR. ROEHRICH: Mr. Chairman, this is still the
15 second part to Paul's -- this is the aeronautics discussion.

16 CHAIRMAN KNIGHT: Oh, okay. All right. That's
17 right.

18 MR. PATANE: Yeah.

19 CHAIRMAN KNIGHT: Just the tribal --

20 MR. PATANE: Two more parts.

21 CHAIRMAN KNIGHT: Go ahead.

22 MR. PATANE: First, I want to introduce Matthew
23 Munden, who's our -- he's in charge -- he's our Aeronautics
24 Group manager, and him and his team, they're the ones
25 responsible for putting the Airport Capital Improvement Program

1 together. It's part of our five-year program that you approve
2 annually. Matthew and his team are the ones that are putting
3 the grants together, working with FAA, along with all -- the 67
4 airports that we have, the public airports that we have in this
5 state, making sure -- trying to make sure that their needs are
6 met through the programs and resources that we have.

7 MR. MUNDEN: Thank you, Paul.

8 I want to provide an update on aeronautics as it
9 relates to the grants that we give out, the various projects
10 that we support, and that being the construction projects and
11 the -- also planning projects as well.

12 So the first type of grant that we do give out is
13 the FSL-type grant. That is effectively the state matching
14 grant. For this year, FY 2024, our FSL program was \$8 million,
15 and what that does is it provides state matching grants for all
16 FAA grants from Washington, that being grants from the typical
17 FAA's AIP program, the Airport Improvement Program. And
18 additionally, BUILD grants as well.

19 Previous years was more typically \$5 million in
20 the FSL program. Last year was 5.6 million, which did cover
21 BIL, EIL and AIP grants. This year we're looking at \$8 million
22 to cover all of that, and that provides state matching grants
23 for all project types for design, construction, capacity
24 enhancement, planning and land acquisition projects as well.

25 Our second grant program is the ESL program, the

1 state/local program. This year it was \$17 million. A typical
2 year is usually about \$10 million. It's essentially the same
3 project types as the FSL program. The difference being is that
4 the FAA does not have a share in this SL program.

5 What I meant to say for the FSL program too is
6 that most of the FAA grants are awarded at 91.06 percent. So
7 the State matches typically 4.47 percent for most of the
8 airports. Airports that are economically disadvantaged, the FAA
9 contributes at 95 percent, and commercial service airports, the
10 FAA contributes at 75 percent. But for the average FSL grant,
11 the state matching grant would be 4.47 percent, leaving the
12 local community and the airport with 4.47 percent. The SL
13 program, most of the grants are 90 percent. They're awarded at
14 90 percent state share, and the local community comes up with
15 the 10 percent that's left after that.

16 So we prioritize our state/local grant program
17 using what you can see on the screen in front of you. There's
18 different priority values that are associated with each project
19 component. We can think of that as a project type, if you will,
20 ranging from the most important type of project, being
21 obstructions. That would be an obstruction to the airfield or
22 airspace going all the way down to it, and if a community was
23 looking to purchase an existing airport such as -- such as a
24 private airfield, for instance. So there's quite a few
25 different types of projects that we do award in our SL program.

1 It just -- we move through by priority values, and we give out
2 as many projects as we can until we are out of funds in our SL
3 program.

4 The third grants program that we do give out is
5 the APMS program. These are pavement-related grants. The
6 purpose of the APMS program, as I've explained to many airports,
7 is that we provide these APMS grants for good pavements, to keep
8 the good pavements in good condition.

9 We evaluate -- I'm getting a little bit ahead of
10 myself there. These grants are also awarded at 90 percent,
11 leaving the airports to come up with 10 percent that's left
12 over. This year, we did award \$5.2 million worth of APS grants.
13 Typically, the program is about \$5 million, so this is pretty
14 standard this year for what we did get out.

15 What you can see here is what our ACIP, the
16 Airport Capital Improvement Program, has looked like over the
17 most previous years. I believe the most interesting part to
18 mention is that for the FSL program in FY '21 and '22, it was
19 zero dollars for both of those. The reason being is due to the
20 CARES Act first, and then CRIS Act second for FY '21 and '22,
21 consecutively. The FAA did award grants at 100 percent both of
22 those years, so we did not have an FSL program that we needed to
23 support. So we moved those funds into the SL program
24 accordingly.

25 We also do aeronautic special studies each year

1 that we do put into our ACIP, which is shown in ADOT's five-year
2 program. The one that we currently have underway is the Airport
3 Land Use Study. One of the outcomes of that will be the
4 Aeronautics Land Use Manual. The land use studies, as I said,
5 is currently underway. Started this summer. It's going to take
6 about 18 months to complete. We're looking to have completion
7 of this study approximately end of next calendar year 2024 here.

8 And as I said, we'll have the Land Use Manual.
9 The purpose of this is to help both the public airports --
10 there's 67 publicly-owned airports and publicly-operated
11 airports in Arizona, and to get the airport managers, the staff
12 on hand, the various community members that are concerned with
13 the airports, along with the public at large, to understand that
14 there are certain land uses nearby airports that that can
15 coexist with airports, if you will, such as farming. You can
16 see on the picture in the bottom right there. That's really
17 good land use near an airport, whereas a -- housing is not a
18 land use that you would want near airports. Neither would you
19 want schools, nor hospitals. And we're also going to provide
20 GIS shapefiles at the end of that to help the airport and the
21 community understand where those limits would be near each
22 public airport in Arizona.

23 The next -- excuse me -- the next special study
24 that we will be working on here soon is going to be the SASP, on
25 the screen. The most recently completed one was in 2018. The

1 one prior was completed in 2008. We're looking to start the
2 next SASP update next year. It's going to take approximately 24
3 months to complete.

4 It will evaluate which airports will be in the
5 state program. As I said, currently there are 67 airports that
6 we do support here in ADOT Aeronautics. I know previously, back
7 in the 2008 SASP, there was a different number of airports that
8 were included in that. The airports will move around in the
9 categories, and we will evaluate how much funding we should be
10 looking at for each grants program and how to best support the
11 airports with this study.

12 It will take approximately two years to complete,
13 so we are looking to have completion of this in 2026. And as
14 you might wonder, we are usually targeting to have these
15 completed every five to seven years. That's what the FAA is
16 looking for. Sometimes if things haven't changed too much, as
17 they haven't for us a little bit more recently, they're -- they
18 would be looking for us to complete this probably no later than
19 ten years, approximately. So we should be on track with this to
20 have that completed.

21 Our Triennial Study is the last special studies
22 that I want to cover today. Our most recent one was completed
23 last year, in 2022. At the end of '22. As the name implies, we
24 do this study every three years. The purpose of this study
25 is -- well, one, it fulfills one of the grant assurances that

1 the airports need to sign onto to accept FAA grants. So this
2 fulfills that grant assurance for each public airport in
3 Arizona, and it also gives us at ADOT Aeronautics a list of APMS
4 projects to award the airports each year.

5 So the next Triennial Study, we're looking to
6 start pavement inspections for early next year. This will be a
7 survey of all the payments for all the airports in Arizona. It
8 will reflect the Pavement Condition Index, which ranges from
9 zero to 100, with 100 being the best.

10 As I mentioned earlier, the APMS program focuses
11 on good pavements, so for asphalt-type projects, you're looking
12 at PCIs over 55, and for concrete projects, you're looking at
13 pavements with a PCI 65 and above for those that would be in the
14 APMS program. I've explained to airport managers in Arizona
15 that pavements that are beginning to fail and have failed, of
16 course, are not in the APMS program, but those can be served by
17 either the SL program or the FSL program. The Triennial Study
18 will take approximately 18 months to complete.

19 Let's see. We also do Airport of the Year each
20 year. We're going to start taking applications again for the
21 next Airport of the Year early next year. We always announce
22 that typically May of each year. This year it was Colorado City
23 Airport that won it. That was the first time they had won it --
24 it's on my notes -- I believe it was 31 or 32 years ago now,
25 that they were the first airport of the year back in I believe

1 it was 1992 now.

2 And what we're looking for is we're looking at
3 airport safety. We're looking especially at community
4 collaboration, and we're looking at the way the airport's
5 managed overall. And when we factor all that into account, and
6 we look at all those aspects when we look at the various
7 applications that we have come to us for that.

8 And with that, are there any questions?

9 CHAIRMAN KNIGHT: Do any board members have
10 questions or comments at this time?

11 MS. HOWARD: I do, Matthew.

12 CHAIRMAN KNIGHT: Ted?

13 MR. MUNDEN: Yes.

14 MS. HOWARD: Chair.

15 CHAIRMAN KNIGHT: Member Howard.

16 MS. HOWARD: So the FSL, the SL and the APMS
17 grants, those are all administered by ADOT, correct?

18 MR. MUNDEN: Correct.

19 (Speaking simultaneously.)

20 MS. HOWARD: So you have an area on the website,
21 obviously, that airports can find to apply for those grants?

22 MR. MUNDEN: Absolutely. Yes.

23 MS. HOWARD: Okay. I've had a couple reach out
24 to me, so I just want to get good information. So thank you.

25 MR. MUNDEN: Okay. Thank you.

1 CHAIRMAN KNIGHT: Go ahead, Member Maxwell.

2 MR. MAXWELL: Mr. Chair, I appreciate this being
3 on the agenda today, and I really appreciate your insight on --
4 to it.

5 Arizona, because of the weather we have and
6 because of the open space, where small aircrafts as well as
7 military aircraft can train, it's a huge aviation economic
8 driver. It's, I mean, an economic driver through the aviation
9 training industry alone. We've got a lot of airports such as
10 Marana who are now in the process of having federal funding to
11 add towers to those airports, and they're all growing.

12 A lot of rural communities can truly leverage
13 what they've got, even if it just looks like a standalone little
14 airport, to create some economic development opportunities, as
15 there are a lot of private pilots in the state that might -- do
16 visit all those locations. So I appreciate the update and the
17 insight.

18 A question I've got for you. On all those funds
19 that you show, especially in the state, the SL --

20 MR. MUNDEN: Right.

21 MR. MAXWELL: -- for state/local grants, do we
22 ever have money that's sitting in -- over or do we have more
23 applicants for the funding than we've got?

24 MR. MUNDEN: We have more applicants. So
25 typically, if we were to serve all the applications in the SL

1 program, we would be looking at approximately 30 to \$35 million
2 each year that we would need, and we only serve approximately a
3 third of that.

4 MR. MAXWELL: Oh, I appreciate that answer, and I
5 appreciate that you, once again, highlighting that this board's
6 also responsible for that aviation side of the infrastructure
7 that we have in our state. So thank you very much.

8 MR. MUNDEN: Of course. I'm happy to.

9 CHAIRMAN KNIGHT: Do we have any questions or
10 comments from our virtual members? Hearing none.

11 Then we will thank you very much for your report.

12 MR. MUNDEN: Thank you.

13 CHAIRMAN KNIGHT: Very informative.

14 And Paul, you're still up.

15 MR. PATANE: Yes. Thank you.

16 CHAIRMAN KNIGHT: Legislative Appropriation and
17 Federal Earmarks.

18 MR. PATANE: Yeah. This -- Chairman Knight and
19 Board Members, I'll just continue with Item 5C. This is for the
20 state fiscal year 2022 through 2024 legislative appropriations.

21 In the FY 2023-2024 State budget, the Arizona
22 Legislature appropriated funds to ADOT for the projects listed
23 on the pages -- in your handout, pages 1 through 4. The 2024
24 legislative -- Legislature also made changes to the amounts
25 appropriated. And so what we're bringing here to you today is

1 the changes to the appropriations. Some of the reasons for the
2 changes were we had a better scope defined and more accurate
3 estimates to help with the budgets for the project. So this is
4 for information only just to share with you what the changes
5 were.

6 MR. MAXWELL: You know I'm going to have a
7 question.

8 CHAIRMAN KNIGHT: So are there any questions from
9 the Board?

10 MR. MAXWELL: So Paul, thank you for that update,
11 and Mr. Chair, thanks for the opportunity to ask a question
12 again.

13 My concern is of all these legislative
14 appropriations, can we also maybe add this as to which ones are
15 already committed so that we know which ones are in the process?
16 You know, we know some of the funds have been distributed to the
17 local communities, some haven't. Some are still in the -- you
18 know, awaiting to go from being appropriated to being in --
19 being used. It might be good for us to know in the next couple
20 of years what funds have been committed.

21 MR. PATANE: Oh, definitely. Chairman Knight,
22 Board Member Maxwell, we can -- at the next month's meeting, we
23 can provide an update with -- for some of the status of some of
24 these projects.

25 MR. MAXWELL: Appreciate that. Thank you. Thank

1 you, Mr. Chairman.

2 CHAIRMAN KNIGHT: Any other questions for Paul?
3 How about from our virtual members? Hearing none.

4 Then we will move on to Agenda Item 6 for
5 discussion and possible action. The 2050 Long-Range
6 Transportation Plan, and Paul, you're still up.

7 MR. PATANE: Chairman Knight, Board Members, I'm
8 going to defer this presentation to Jason James. He's the --
9 Jason is part of the Multimodal Planning Division and is our --
10 is one of our -- is our regional planning manager, but he's also
11 the project manager for the Long-Range Transportation Plan,
12 so...

13 CHAIRMAN KNIGHT: Well, we'll defer to Jason's
14 expertise.

15 MR. JAMES: All right. Sounds good.

16 Good morning, Chairman Knight. Good morning,
17 members of Board. It was really good to see all of you at the
18 Rural Transportation Summit. With this update for the Long-
19 Range Transportation Plan, this is going to be a much more
20 abbreviated version than the one that I gave yesterday to the
21 Rural Transportation Summit.

22 All right. So what I'll talk about today is just
23 our project schedule, what we heard from the public, our
24 recommended investment choice for Greater Arizona, and finally,
25 requesting a motion for adoption at the end.

1 So for our project schedule, so again, this is
2 our project, as all of you know. We started last year in May.
3 So again, with all these deliverables that you see on screen
4 here, these are all available on our 2050 LRTP website. We just
5 completed our public review of our final Long-Range
6 Transportation Plan, and our comments matrix, that includes all
7 our comments that we received for our draft Long-Range
8 Transportation Plan, and our final is under review right now and
9 will be uploaded to our website here shortly. So we're just
10 doing the final QA/QC on that report from our consultant.

11 All right. So what we heard from the public. So
12 again, we had three phases of public engagement for the Long-
13 Range Transportation Plan. We had our survey back from October
14 to January, got just under -- just about 7,862 responses.
15 Again, the most responses we received for our survey ever for a
16 Long-Range Transportation Plan.

17 That -- we did -- we had our in-person meetings
18 in March in Flagstaff, Tucson and Phoenix, again, with 693
19 attendees and 860 public comments. And then we also had our
20 statewide virtual meeting in August, you know, and we also had
21 67 attendees to that and 73 comments and questions. And also,
22 for the phase two, we also had a statewide virtual meeting and
23 telephone town hall as well for that particular outreach.

24 And the other thing I'd like to mention too is --
25 Director Toth mentioned this earlier in her Director's report --

1 with our public -- virtual public involvement, we did receive
2 that TransComm -- a national award from ADOT (indiscernible)
3 communications. So we were very proud of that.

4 And then also, in addition to the public
5 engagement, we did have key stakeholder and partner meetings
6 with our COG and MPOs and our tribal partners. Again, we
7 outreached to all 22 of our Arizona tribes, met with 11 of those
8 tribes in person or virtually, and then also had a -- our
9 presentations at intertribal council meetings.

10 We also have gave LRTP updates to our COG and MPO
11 partners at their (indiscernible) and executive boards, and also
12 kept them informed of the Long-Range Transportation Plan at the
13 Arizona COG and MPO planners group meetings.

14 So as far as what we heard from the public,
15 again, we had a variety of different comments, a lot of it
16 project specific, even though we told them it's not a project
17 specific project, but we still got those, and we did forward a
18 lot of those information over to the respective districts. So
19 we got that all taken care of. But as far as the trending
20 comments we received from the public, again, fixing roads that
21 are in poor condition. Pavement preservation is our number one
22 priority for ADOT. So it was good to see the public agrees with
23 that. So that was number one there.

24 Prioritizing highway projects that address, you
25 know, looking at expansion needs, especially in rural Arizona.

1 Improving bicycle and ped. facilities. That was one of the top
2 comments we received. Again, as I mentioned before, we are
3 bringing back the Transportation Alternatives Program, giving
4 our COGS, MPOs, member agencies an opportunity to apply for
5 funding to address their local projects for bicycle and
6 pedestrian facility improvements.

7 The fourth one was expanding public transit in
8 the state.

9 And then finally, improving highways in rural
10 areas. So it was really good that our rural communities had a
11 big voice through our surveys and through our public engagement,
12 to put that out comment -- put that in the top five.

13 All right. So with our recommended investment
14 choice for Greater Arizona, again, when we look at the
15 categories, again, we look at preservation, anything within the
16 roadway, modernization, which is all activities that are not
17 increasing capacity to the road, and then, finally, expansion,
18 which are new roads and new TIs.

19 So with all our transportation gap, again, with
20 our needs over a 25-year period, we went from 2026 to 2050.
21 Again, \$231.4 billion of need. Revenue -- forecasted revenues,
22 that's 69.1 billion, which gives us an estimated funding gap of
23 about \$162.3 billion, which, again, far exceeds the projected
24 numbers from our last Long-Range Transportation Plan.

25 And again, there was very good -- very good

1 presentations that we saw at the Rural Transportation Summit
2 from the Arizona General Contractors Association and from others
3 that could really explain why you see that huge increase with
4 our Construction Cost Index, our shortage of labor, you know.
5 So it was -- it was really good -- that really kind of just
6 feeds into why you see such huge gap.

7 All right. And so with our gap (indiscernible)
8 our revenue, again, as I mentioned, \$231 billion in need against
9 \$69 billion of revenue, with our \$162 billion funding gap.
10 Again, with much of the revenues we receive, they are already
11 allocated to our federal specific programs, like the Highway
12 Safety Improvement Program or Congestion Mitigation and Air
13 Quality Program, our Off-System Bridge, and also with a lot of
14 our HURF revenue, that's utilized for our ADOT operations. So
15 you take those allocated funds off the top. It leaves us with a
16 flexibility choice of \$29.7 billion over the next 25 years, and
17 that's the basis of our Greater Arizona recommended investment
18 choice.

19 So putting it all together, again, with the
20 statewide recommended investment choice, that's including the
21 MAG RIC and the PAG RIC, who has more of an emphasis on
22 expansion projects and modernization projects. You see the
23 numbers there for the greater statewide RIC, but then you look
24 at the breakdown on the right side of the screen. You see the
25 breakdown for the MAG region, the PAG region and then for

1 Greater Arizona. And with Greater Arizona, we do have a bigger
2 emphasis on pavement preservation, which we are putting 78
3 percent of our allocation, 15 percent of our allocation toward
4 modernization, and 7 percent of -- going back to our Greater
5 Arizona expansion needs.

6 All right. And then the bigger picture of how
7 the Long-Range Transportation Plan recommended investment choice
8 kind of eased into the bigger process. These recommended
9 investment choice percentages feed into our planning to
10 programing, which is our data-driven approach to prioritizing
11 projects for the five-year construction program, and the top
12 rated projects out of that P2P process go into our five-year
13 construction program.

14 All right. And that's our adot2050plan.com
15 website, which has all our completed deliverables, including our
16 final Long-Range Transportation Plan. Also, any of the recorded
17 meetings that we have is also on that website.

18 And one last thing before I conclude our very --
19 the very abbreviated update. With this recommended investment
20 choice, one thing to understand with it is that, again, if it is
21 adopted today is that it will take a few years to really start
22 trying to reach those percentages, just because we have to have
23 revenues to catch up. That's the reason why, by the way, we
24 start at '26 and beyond, because we knew it was going to take a
25 few years to really try and catch up with that. So I just want

1 to keep that in mind, because I know that the tentative Five-
2 Year Construction Program review will be coming up in January,
3 February. So, you know, so I just -- I just wanted to just, you
4 know, put that out there just so that that's clarified
5 beforehand.

6 All right. So before I request a motion to adopt
7 the plan, I'll take any questions, any comments from the Board.

8 CHAIRMAN KNIGHT: Are there any questions from
9 the Board? How about our virtual board members? Any questions
10 for Jason?

11 MR. THOMPSON: Chairman.

12 CHAIRMAN KNIGHT: Yes. Board Member Thompson.

13 MR. THOMPSON: Jason, is there any plans to go
14 back out and make a fallout -- follow-up with all those that you
15 have met with in gathering the information?

16 MR. JAMES: Board Member Knight, Board Member
17 Thompson, absolutely. Yes. Even after adoption, we will
18 continue to, you know, communicate with our COGs, MPOs, tribal
19 partners on the progress of where these (indiscernible) are
20 going and kind of what our next plans are for the next update,
21 because even though this update's coming to a wrap, we are
22 preparing for the next one five years from now, and we're
23 starting early. So there's a lot of things, especially with our
24 new federal guidelines that we need to add and be inclusive in
25 the next one. So yeah, we're starting earlier. We're not

1 starting later on that, and input from our stakeholders is going
2 to be crucial to that. So yes, we will definitely be keeping
3 them informed and getting their input as we prepare for the next
4 one five years from now.

5 MR. THOMPSON: Thank you, Jason, and thank you,
6 Chairman.

7 CHAIRMAN KNIGHT: Thank you to Jesse.

8 Any further questions for Jason? Hearing None.

9 I will entertain a motion to adopt the 2050 Long-
10 Range Transportation Plan as presented.

11 MR. MAXWELL: So moved.

12 MR. MECK: Second.

13 CHAIRMAN KNIGHT: I have a motion from Member
14 Maxwell and a second from Member Meck to approve the 2050 Long-
15 Range Plan as presented.

16 All those in favor signify by saying aye.

17 BOARD MEMBERS: Aye.

18 CHAIRMAN KNIGHT: Any opposed?

19 Floyd, would you poll our virtual members?

20 MR. ROEHRICH: Board Member Daniels.

21 MS. DANIELS: Aye.

22 MR. ROEHRICH: And Board Member Thompson.

23 MR. THOMPSON: Aye.

24 MR. ROEHRICH: Chairman, the motion carries.

25 CHAIRMAN KNIGHT: Thank you.

1 MR. JAMES: Excellent. Thank you, Board
2 Member -- Chairman Knight, Board Members. Thank you very much.
3 Really appreciate it.

4 CHAIRMAN KNIGHT: Thank you, Jason.

5 MR. MAXWELL: Thank you.

6 CHAIRMAN KNIGHT: We'll move on now to Item 7,
7 which is the PPAC items with Paul Patane.

8 MR. PATANE: Thank you, Chair Knight, Board
9 Members. So the first action is for the -- first requested
10 action is for project modifications. So Chairman Knight, Board
11 Members, for your consideration on the proposed changes to the
12 2024-2028 State Transportation Facilities Construction Program,
13 Items 7A through 7D project modifications.

14 CHAIRMAN KNIGHT: Are there any questions from
15 the Board on project modifications for Items 7A to 7D? Our
16 virtual members, any questions? Hearing none.

17 And I will entertain a motion to approve PPAC
18 project modifications Items 7A through 7D as presented.

19 MS. HOWARD: So moved.

20 MR. MAXWELL: Second.

21 CHAIRMAN KNIGHT: I have a motion from Member
22 Howard, a second from Member Maxwell to approve the PPAC project
23 modifications, Items 7A through 7D as presented.

24 All those in favor signify by saying aye.

25 BOARD MEMBERS: Aye.

1 CHAIRMAN KNIGHT: Any opposed?
2 Floyd, would you vote -- poll our virtual
3 members?

4 MR. ROEHRICH: Board Member Daniels.

5 MS. DANIELS: Aye.

6 MR. ROEHRICH: And Board Member Thompson.

7 MR. THOMPSON: Aye.

8 MR. ROEHRICH: Chairman, the motion carries.

9 CHAIRMAN KNIGHT: Thank you.
10 Go ahead, Paul.

11 MR. PATANE: Thank you, Chairman Knight, Board
12 Members. For your consideration, the proposed changes to the
13 2024-2028 State Transportation Facilities Construction Program,
14 Items 7E through 7G, new projects.

15 CHAIRMAN KNIGHT: Do I -- are there any questions
16 or comments from the Board on Items 7E through 7G? How about
17 our virtual members? Hearing none.

18 Is there a motion to approve PPAC new projects,
19 Items 7E through 7G as presented?

20 MR. MECK: Some moved.

21 MR. MAXWELL: Second.

22 CHAIRMAN KNIGHT: I have a motion from Board
23 Member Meck, a second from Board Member Maxwell to approve the
24 new projects, Items 7E through 7G as presented.

25 All those in favor signify by saying aye.

1 BOARD MEMBERS: Aye.

2 CHAIRMAN KNIGHT: Any opposed? Floyd.

3 MR. ROEHRICH: Board Member Daniels.

4 MS. DANIELS: Aye.

5 MR. ROEHRICH: Board Member Thompson.

6 MR. THOMPSON: Aye.

7 MR. ROEHRICH: Chairman, the motion carries.

8 CHAIRMAN KNIGHT: Thank you.

9 MR. PATANE: Okay. Chairman Knight, Board
10 Members, one more. For your consideration, the proposed changes
11 to the 2024-2028 State Transportation Facilities Construction
12 Program, Items 7H through 7N for the Airport Capital Improvement
13 program.

14 CHAIRMAN KNIGHT: Any questions for Paul on Items
15 7H through 7H? Any from our virtual members?

16 Then I will entertain a motion to approve PPAC
17 airport projects Items 7H through 7N as presented.

18 MS. HOWARD: So moved.

19 CHAIRMAN KNIGHT: I have a motion from --

20 MR. MECK: Second.

21 CHAIRMAN KNIGHT: -- Member Howard, a second from
22 Member Meck to approve the PPAC airport projects, Item 7H
23 through 7N as presented.

24 All those in favor signify by saying aye.

25 BOARD MEMBERS: Aye.

1 CHAIRMAN KNIGHT: Any opposed? Floyd.

2 MR. ROEHRICH: Board Member Daniels.

3 MS. DANIELS: Aye.

4 MR. ROEHRICH: Board Member Thompson.

5 MR. THOMPSON: Aye.

6 MR. ROEHRICH: Chairman, the motion carries.

7 CHAIRMAN KNIGHT: Thank you.

8 We'll move on now to Agenda Item Number 8, which
9 is the State Match Advantage For Rural Transportation, SMART
10 Fund, and this is for discussion and possible action. Paul,
11 you're still up.

12 MR. PATANE: Yes. Thank you, Chairman Knight,
13 Board Members. Today we have one AZ SMART application on the
14 agenda day -- on the agenda today for your consideration.

15 Just real quick, on eligible uses, just can be
16 used for reimbursement for grant development for counties and
17 cities -- or for counties less than 100,000 and for cities less
18 than 10,000. The funding can be used for a match for a federal
19 grant, and also, the funding can be used for reimbursement, for
20 design and other engineering services that meet the federal
21 standards for projects eligible for a federal grant.

22 Currently -- the current eligible applicants
23 include all ADOT cities and towns and counties except Maricopa
24 and Pima Counties. And there's some of the towns listed below.

25 So this month we have the one new application.

1 It is for the Advanced Transportation Technology and Innovation,
2 known as ATTAIN. This grant promotes advanced technologies to
3 deploy, install and operate advanced transportation technologies
4 to improve safety, mobility and efficiency.

5 The application is from Mohave County. It was
6 included in the Board materials for this month. The County was
7 a successful recipient of the ATTAIN grant this year. They are
8 awarded \$1 million for a project that will connect vehicles to
9 traffic control signs. The ATTAIN grant requires a 20 percent
10 match of 250,000, which Mohave County is requesting from the AZ
11 SMART program.

12 So just some of what the project -- project will
13 do is deploy sign stop (sic) technology. It also will deploy
14 curve speed warning technology to alert drivers to the speeds
15 that may be too high for -- just so they can traverse the curve
16 safely.

17 The applicant is requesting ADOT administration
18 of this project.

19 CHAIRMAN KNIGHT: Thank you, Paul.

20 I'll entertain a motion to -- is there -- are
21 there any questions -- first, are there any questions from the
22 Board on this AZ SMART Fund application? Any questions from our
23 virtual members?

24 MR. MAXWELL: Mr. Chair.

25 CHAIRMAN KNIGHT: Yes, Ted.

1 MR. MAXWELL: Yeah. I think maybe this slide
2 that you've got up now is the one that shows it, but it's
3 covered by the camera angle. How much -- they're asking for
4 250,000. How much do we have remaining in this specific
5 category for counties over 100,000 in the SMART Funds?

6 MR. PATANE: So here's the balance sheet for...
7 So the available funding for counties greater than 100,000, you
8 have 7.8 million, a little over 700 million.

9 MR. MAXWELL: Thank you very much. Thank you
10 very much, Paul. Thank you, Mr. Chair.

11 CHAIRMAN KNIGHT: So we've got about 7 and a half
12 million in that -- in that pot. Thank you.

13 Any other questions? Hearing none.

14 I'll entertain a motion to approve AZ SMART Fund
15 application for Mohave County in the amount requested by the
16 applicant.

17 MR. MAXWELL: So moved.

18 MR. MECK: Second.

19 CHAIRMAN KNIGHT: I have a motion from Member
20 Maxwell, a second from Member Meck to approve AZ SMART Fund
21 application from Mohave County in the amount requested.

22 All those in favor signify by saying aye.

23 BOARD MEMBERS: Aye.

24 CHAIRMAN KNIGHT: Any opposed? Floyd.

25 MR. ROEHRICH: Board Member Daniels.

1 MS. DANIELS: Aye.

2 MR. ROEHRICH: Board Member Thompson.

3 MR. THOMPSON: Aye.

4 MR. ROEHRICH: Chairman, the motion carries.

5 CHAIRMAN KNIGHT: Thank you.

6 All of a sudden our screens went.... All of a
7 sudden, our screens went --

8 MR. ROEHRICH: Yeah. We got a note that said
9 that it was going to shut down in five minutes, but it's not on
10 the WebEx. It's -- I think it's the one here that --

11 CHAIRMAN KNIGHT: Oh, it's something that happens
12 up here.

13 MR. ROEHRICH: Yeah. It's happening on the
14 screens for the Board members.

15 CHAIRMAN KNIGHT: From time to time, but mine is
16 still on.

17 MR. ROEHRICH: Yeah, but it says power is off --

18 CHAIRMAN KNIGHT: This is the Mayor's screen. It
19 always stays on.

20 (Inaudible conversation.)

21 CHAIRMAN KNIGHT: Okay. We're back.

22 Okay. So now, Paul, we're going to listen to the
23 revisions to the AZ SMART Fund program.

24 MR. PATANE: Yes, Chairman Knight. I just wanted
25 to go over some context with program revisions, just some

1 clarifications, some unforeseen situations and the legislative
2 change that takes into effect October 30th.

3 With any new program, you know, the first year is
4 typically a (indiscernible) period, and so based on feedback we
5 received, you know, from our stakeholders as far as some of
6 the -- how the document was worded, that's what the
7 clarification is. Just kind of clearing up some of the language
8 to help the users navigate through this process.

9 And next we have an unforeseen condition, which
10 our example is with the City of Clarkdale, where they
11 received -- you know, they applied for funding, I believe,
12 design engineering services for (inaudible) on the projects, but
13 they ended up receiving a legislative appropriation on top of
14 that. So then after discussion, after our staff discussions
15 with the City of Clarkdale, based on the amount they received
16 through the appropriation, they were no longer going to apply
17 for a federal grant. And so this is by their choice, and so
18 we -- you know, we need to get the funding back, and we want to
19 make sure we clarify that in the program application if --
20 because the whole intent of the legislation was for this funding
21 to help applicants be eligible for going after federal
22 transportation surface-type projects.

23 Then I talk about the legislative changes, and so
24 this -- within the area of Board documents that begin around
25 page 245 is where this portion of the information is in. First

1 we had a memo with a table of contents to help you find where
2 the documents are located. Next we provided a summary of
3 changes. Those were highlighted in yellow for your use. And so
4 then the -- so those changes just we'll need approval for them.

5 The big change was the applicant eligibility,
6 where effective October 30th, only cities and towns and counties
7 in Greater Arizona are eligible, except for -- except for Gila
8 Bend, Maricopa, and Pima County, and all cities and towns in
9 those counties will no longer be eligible.

10 Tribes may apply by partnering with an eligible
11 applicant, and projects in incorporated areas will be submitted
12 by an eligible county.

13 CHAIRMAN KNIGHT: Any questions -- any questions
14 for Paul on the revisions to the AZ SMART Fund program? Any
15 questions from our virtual board members? Hearing none.

16 Is there a motion to approve revisions to the AZ
17 SMART Fund program guidelines and application to meet the
18 requirements of the new law?

19 MS. HOWARD: So moved.

20 CHAIRMAN KNIGHT: I have a motion from Member
21 Howard, a second from Member Maxwell to --

22 MR. MECK: Second. Second's from me.

23 CHAIRMAN KNIGHT: I'm sorry. Second from Member
24 Meck to approve.

25 All those in favor signify by saying aye.

1 BOARD MEMBERS: Aye.

2 CHAIRMAN KNIGHT: Any opposed? Floyd.

3 MR. ROEHRICH: Board Member Daniels.

4 MS. DANIELS: Aye.

5 MR. ROEHRICH: Board Member Thompson.

6 MR. THOMPSON: Aye.

7 MR. ROEHRICH: Chairman, the motion carries.

8 CHAIRMAN KNIGHT: Thank you.

9 We'll, now move on to Agenda Item Number 9, and
10 this is for information and discussion only. The State
11 engineer's report.

12 MR. CROCKETT: Mr. Chairman, Board Members, Barry
13 Crockett, Deputy State Engineer, Contracts. I will be
14 presenting the state engineer's report and then the construction
15 contracts.

16 For the state engineer's report, we have 92
17 projects currently under construction, valued at just under
18 \$2.1 billion. We finalized five projects in the month of
19 September, valued at \$17.4 million. Fiscal year to date, 20
20 projects have been finalized.

21 That concludes the state engineer's report, Item
22 Number 9.

23 CHAIRMAN KNIGHT: Thank you.

24 Does any -- does any board member have a question
25 for Barry on the report? How about our virtual members?

1 Hearing none.

2 MS. DANIELS: My apologies. I was not quick
3 enough. (Inaudible.) Jenn Daniels. May I have --

4 CHAIRMAN KNIGHT: Yes, Jenn. Go ahead.

5 MS. DANIELS: Barry, has the I-11 RFP been put
6 out yet?

7 MR. ROEHRICH: So Mr. Chairman, Ms. Daniels,
8 Paul, that was the RFP for the -- for the next part of the
9 study, right, the tier two? Do you have an update on that?

10 MR. PATANE: Briefly.

11 MR. ROEHRICH: Okay. Briefly.

12 MS. DANIELS: I know it's not part of the agenda,
13 so if we need to hold, we can, but I wanted to see if there was
14 an update on that. I had worked with Greg previously to make
15 sure that I knew when that was -- RFPs were going out for tier
16 twos on both I-11 north-south and also on the Sonoran Corridor.

17 MR. ROEHRICH: I think that's a valid question,
18 Mr. Chairman, Ms. Daniels, because it would have been a part of
19 the planning activities. So that's why I think Paul, if you can
20 just give a quick update.

21 MR. PATANE: Chairman Knight and Board Member
22 Daniels, Board Members, as far as the -- I'll start with the
23 north-south -- I call it the southern piece, phase two of the
24 tier two. We're still in what we call scope and fee
25 negotiations with the consultant. We have selected a

1 consultant, but sometimes, you know, coming to the dollar amount
2 takes a little bit of time as far as the negotiation process.
3 So we're still going through what's required as part of the
4 procurement phase of the project for north-south phase two.

5 Then for the Sonoran Corridor, that contract has
6 been executed and notice to proceed issued to the consultant,
7 and we look forward to having a kickoff meeting probably after
8 the first of the year. They'll look to do some data collection
9 over this next couple months, but we're looking for the kickoff
10 after the first year.

11 Then as far as the I-11, we were working through
12 the process. We're still in the procurement process, working
13 through a more -- ADOT, we had to go through an administrative
14 process with FHWA or ADOT (indiscernible) withdraw our role as
15 far as the agency for NEPA. FHWA will be the lead agency for
16 the I-11 corridor.

17 And also, we're still working on getting comments
18 back from some of our stakeholders on our scope of work, and
19 we'd like to proceed -- to carry on that procurement process
20 throughout the following winter months this year.

21 CHAIRMAN KNIGHT: Thank you, Paul.

22 MS. DANIELS: Thank you.

23 MR. PATANE: You're welcome. Thank you.

24 CHAIRMAN KNIGHT: Jenn, do you have any further
25 questions for Barry or Paul?

1 MS. DANIELS: Not at the moment. Thank you,
2 Chairman.

3 CHAIRMAN KNIGHT: You bet.

4 No further questions. Then we'll proceed on to
5 Item 10, Barry.

6 MR. CROCKETT: Thank you, Mr. Chairman.

7 Item Number 10, new construction contracts. So
8 the first two items on the -- on the screen, Items 3F and 3G
9 were addressed earlier in the agenda. Thank you for awarding
10 those projects earlier through the consent agenda.

11 Items 10A, 10B and 10C, I will address
12 momentarily.

13 I want to move forward to the sixth one on the
14 line for information only. No action is required by the Board.
15 It's the one has the two asterisks. This is the I-10, US-191
16 emergency project. Just want to give you an update as what has
17 occurred since the last board meeting.

18 So since the board meeting in September, we did
19 receive bids, and we opened the bids on those -- on that
20 project. We received three bids. The low bid was approximately
21 5.33 million, and the State's estimate was approximately 6.96
22 million, for a difference of \$1,629,907.25, or 23.4 percent
23 under the State's estimate. Again, as it's shown there, the
24 state engineer awarded that project in September. The
25 contract's been executed. So this really was for information

1 only to let you know the progress that we have made and are
2 making on that project.

3 BOARD MEMBER: Well done.

4 CHAIRMAN KNIGHT: Thank you. And any questions
5 from the Board? That was kind of nice to see. No questions.

6 Any questions from our virtual members?

7 Very well. Go ahead, Barry.

8 MR. CROCKETT: Thank you, Mr. Chairman.

9 The next slide presents the cumulative totals for
10 fiscal year to date. So fiscal year to date, the cumulative low
11 bid total is approximately \$55.8 million. The fiscal year to
12 date cumulative State estimate total is approximately
13 \$62.6 million. The difference in that cumulative total is
14 \$6,813,920.46, or 10.9 percent under that State's estimate.

15 CHAIRMAN KNIGHT: Great. That's nice to see too.

16 Any questions or comments from the Board?

17 Hearing none.

18 Go ahead.

19 MR. CROCKETT: Yes. I failed -- I failed to
20 mention on the previous slide -- I'll go back to it shortly --
21 that of the six projects that are being presented today, whether
22 it's for information or consent agenda or ones I'm going to talk
23 to, five of the six came in under the State's estimate. So just
24 in line with what you were saying. Well, thanks for recognizing
25 that.

1 Item Number 10A. Item Number 10A is a pavement
2 rehabilitation project on I-10, between I-8 to State Route 87.
3 There were four bids that we see on this project. All bids were
4 below the State's estimate. The low bid was \$7,745,874.40. The
5 State's estimate was \$10,869,535.50. The difference is
6 \$3,123,661.10, or 28.7 percent under the State's estimate.

7 In discussions with the contractor to evaluate
8 this bid, we identified that the biggest difference was in the
9 asphaltic concrete, and in those conversations we determined
10 that the contractor will have access to an aggregate plant -- or
11 not -- excuse me -- aggregate from a pit they are currently
12 operating. So that (indiscernible) will decrease the haul cost
13 as well as the over- -- all overhead costs, which will make that
14 lower than it was estimated by the State. In addition, we
15 determined that the contractor feels that they can do a
16 production rate a little bit higher than what was estimated by
17 the State.

18 So after review and analysis of those bids with
19 that information, the bid appears reasonable and was determined
20 to be a responsive and responsible bid. We recommend award to
21 FNF Construction, Inc.

22 MR. CROCKETT: Any questions from the Board?
23 Jackie.

24 MR. MECK: The numbers are fantastic, because
25 they're a reverse of what we've seen. What's the biggest thing

1 like this (indiscernible) that's a 28 percent change? Normally
2 it's 20 percent higher, or 30 percent sometimes. Bids could be
3 lower than the State estimate, and the bid would come in 20, 30,
4 40 percent higher. What's made these changes? I mean,
5 obviously this one you just said, but is that going to be a
6 general trend now that the price would be trending down,
7 hopefully?

8 MR. CROCKETT: Mr. Chairman, Member Meck, we
9 could only hope. I think -- I think one of the things is there
10 are a number of variables that come into play here. I will
11 address maybe a couple of them. You know, part of it is, as
12 you'll see on this project, we received four bids.

13 On the one that I talked to each -- momentarily,
14 there was five bids. If you go back a few months, we were
15 fortunate to get maybe one, two or three max. So there's
16 competition that comes into play. There's also the fact that
17 there are factors that occur, like we discovered here, where we
18 don't always have the knowledge or information of where a
19 contractor is going to have material available.

20 So we use the best information that we have
21 through our ability, but contracts are in the private
22 marketplace, and they look and find (indiscernible) cost from
23 the standpoint of where they're having to haul it as well as the
24 overhead.

25 MR. MECK: Interesting. Thank you.

1 CHAIRMAN KNIGHT: Any other questions from the
2 Board?

3 Board Member Maxwell.

4 MR. MAXWELL: Mr. Chair, more comments for those
5 of you that can't see all the results of all the bids and think
6 that I take most (indiscernible). The top three bids were
7 really close. So that sends -- tells me the message that the
8 industry as a whole, the price adjustments that we've faced
9 before where we didn't -- obviously had a shortage of labor,
10 shortage of bidders, it seems to be trending in the right
11 direction, and especially on these larger projects, and
12 hopefully, as you said -- mentioned, Barry, the trend will
13 continue to be the reduction in the costs that we're having to
14 spend to get (indiscernible) done. So thank you.

15 Thank you, Mr. Chair.

16 CHAIRMAN KNIGHT: Thank you, Ted.

17 Any questions from our virtual board members?

18 In that case, is there a motion to award Item 10A
19 to FNF Construction, Inc., as presented?

20 MS. HOWARD: So moved.

21 CHAIRMAN KNIGHT: I have a motion from Member
22 Howard.

23 MR. MECK: Second.

24 CHAIRMAN KNIGHT: And a second from Member Meck
25 to Award Item 10A to FNF Construction as presented.

1 All those in favor signify by saying aye.

2 BOARD MEMBERS: Aye.

3 CHAIRMAN KNIGHT: Any opposed? Floyd.

4 MR. ROEHRICH: Board Member Daniels.

5 MS. DANIELS: Aye.

6 MR. ROEHRICH: Board Member Thompson.

7 MR. THOMPSON: Aye.

8 MR. ROEHRICH: Chairman, the motion carries.

9 CHAIRMAN KNIGHT: Thank you.

10 Go ahead, Bruce.

11 MR. CROCKETT: Thank you.

12 CHAIRMAN KNIGHT: Or Barry. I'm sorry.

13 MR. CROCKETT: Item 10B.

14 MR. ROEHRICH: He's been called worse,

15 Mr. Chairman, so he's good.

16 CHAIRMAN KNIGHT: Starts with a B.

17 UNIDENTIFIED SPEAKER: I don't know about that.

18 MR. CROCKETT: Item 10B is a pavement spot repair

19 project on US-93. Five bids were received on this project.

20 Three of those bids were under the State's estimate. Two of

21 those were over the State's estimate. The low bid was

22 \$1,321,521. The State's estimate was \$1,595,170. The

23 difference is \$273,649, or 17.2 percent under the State's

24 estimate.

25 Again, like the previous one, as we reviewed and

1 analyzed these bids, the biggest difference was in the asphaltic
2 concrete. This one, in talking with the contractor, they were
3 able to purchase the AC for a price lower than what we had
4 determined before we advertised the project, and similar to the
5 other one, they were able -- they feel that they can have a
6 production rate a little bit higher than what we had estimated
7 on this project.

8 After review and analysis, the low bid appears
9 reasonable, and it was determined to be a responsive and
10 responsible bid. We recommend award to PaveCo, Inc.

11 CHAIRMAN KNIGHT: Any questions from the Board
12 for Barry on this item? How about our virtual members? Hearing
13 none.

14 Is there a motion to award Item 10B to PaveCo,
15 Inc., as presented?

16 MR. MAXWELL: So moved.

17 CHAIRMAN KNIGHT: I have a motion from Member
18 Maxwell and a second from?

19 MS. HOWARD: I'll second.

20 CHAIRMAN KNIGHT: Member Howard. Thank you.

21 All those in favor signify by saying aye.

22 BOARD MEMBERS: Aye.

23 CHAIRMAN KNIGHT: Any opposed? Floyd.

24 MR. ROEHRICH: Board Member Daniels.

25 MS. DANIELS: Aye.

1 MR. ROEHRICH: Board Member Thompson.

2 MR. THOMPSON: Aye.

3 MR. ROEHRICH: Chairman, the motion carries.

4 CHAIRMAN KNIGHT: Thank you.

5 Go ahead. We've got one left.

6 MR. CROCKETT: Item 10C is a widening project on
7 State Route 69 in Prescott. On this project, there were three
8 bids that we received. All bids were over the State's estimate.
9 The Disadvantaged Business Enterprise submittals from all three
10 bidders as required by the project requirements were
11 non-compliant. Therefore, we recommend rejection of all bids.
12 It is our intent to rebid this project in the future.

13 CHAIRMAN KNIGHT: Any questions from the Board?
14 Go ahead, Board Member Maxwell.

15 MR. MAXWELL: Thank you, Mr. Chair.

16 So if you can just expand so people, including
17 some of us on the Board understand that -- so all three of them
18 did not meet the DBE requirements, and how -- I know you sent a
19 letter out to all the bidders. Do we have to go through the
20 entire advertising process again to move this forward? Are they
21 allowed to address and try to meet the DBE requirements that
22 solve those discrepancies?

23 MR. CROCKETT: Mr. Chairman and Member Maxwell,
24 we will have to re-advertise the project. As you are well
25 aware, that would be what would be kind of considered getting

1 two bites at the apple, and so we would have to actually
2 re-advertise the project.

3 MR. MAXWELL: Thank you. Thank you, Mr. Chair.

4 CHAIRMAN KNIGHT: Any other questions for Barry?
5 From our virtual members, any questions? Hearing none.

6 Is there a motion to reject all bids for Item 10C
7 as presented?

8 MR. MECK: So moved.

9 CHAIRMAN KNIGHT: I have a motion from Board
10 Member Meck, a second from?

11 MS. HOWARD: I'll second it.

12 CHAIRMAN KNIGHT: Second from Board Member Howard
13 for -- to reject all bids on Item 10C.

14 All those in favor signify by saying aye.

15 BOARD MEMBERS: Aye.

16 CHAIRMAN KNIGHT: Any opposed? Floyd.

17 MR. ROEHRICH: Board Member Daniels.

18 MS. DANIELS: Aye.

19 MR. ROEHRICH: Board Member Thompson.

20 MR. THOMPSON: Aye.

21 MR. ROEHRICH: Chairman, the motion carries.

22 CHAIRMAN KNIGHT: Thank you.

23 MR. CROCKETT: Thank you.

24 CHAIRMAN KNIGHT: Thank you. Thank you very
25 much, Barry. I'm used -- I'm used to having Greg up there doing

1 that.

2 MR. ROEHRICH: I would say Barry handled himself
3 very well.

4 CHAIRMAN KNIGHT: Barry did it -- Barry did very
5 well.

6 MR. ROEHRICH: If I was Greg, I think I'd know
7 who my stand-in is going to be, not that I'm putting that out
8 there for Greg to consider.

9 CHAIRMAN KNIGHT: Well, at least -- at least
10 Barry came to Yuma. I've got a problem with Greg not coming
11 down here. Anyway...

12 So we'll move on to Agenda Item 11. Are there
13 any suggestions from board members for future agenda items?

14 MS. DANIELS: Board Chair.

15 CHAIRMAN KNIGHT: Board Member Daniels.

16 MS. DANIELS: I've been thinking more and more
17 about some of the federal funding from the federal funding
18 opportunities, and more importantly, maybe the compressed
19 timeline within which we have to really be able to capture and
20 access some of these dollars for our state. And so I was
21 wondering if I could put on the radar for both our director and
22 the leadership team that perhaps we need to do some sort of
23 workshop that allows us to prioritize and identify which
24 projects need to be accessing or should be accessing federal
25 funds and which ones will need a state match or a local match to

1 allow us to start planning for that. Our window is still 2026,
2 and I'd love for us to be proactive over the next two years to
3 ensure that we are, as a state, in alignment with all of these
4 funding sources and that we are prepared for the matches that
5 are needed and necessary. So I -- they may already be embarking
6 on some internal discussions, and I think the Board having line
7 of sight to that as well would be hugely beneficial.

8 UNIDENTIFIED SPEAKER: Mr. Chair --

9 CHAIRMAN KNIGHT: Any other -- any other
10 suggestions?

11 Thank you, Jenn. I haven't heard about that from
12 Floyd.

13 Do you got anything?

14 ROEHRICH: Mr. Chairman, just a reminder that
15 next month, November 17th, is the board meeting, and it is in
16 the town of Wickenburg.

17 CHAIRMAN KNIGHT: Great. Great.

18 MR. THOMPSON: Chairman.

19 CHAIRMAN KNIGHT: Yes. Board Member Thompson, go
20 ahead.

21 MR. THOMPSON: I just wanted to make a comment
22 that I think it is good that the Board -- the Chairman of
23 Coconino County Board of Supervisors, Supervisor Vasquez, told
24 us about how (inaudible) more funding, which is very helpful in
25 moving forward with some projects, and I believe by doing that,

1 we will get the word out to the Legislature and the Governor,
2 and hopefully that this will continue in the future years.

3 A last request is if I could have Paul Patane --
4 I'd like to speak with you a little bit more on the request for
5 some modifications to the eligibility criteria of the SMART
6 program.

7 So that's my comments. Thank you, Chair.

8 CHAIRMAN KNIGHT: Thank you, Jesse.

9 Any other comments from the Board? Hearing none.

10 We have concluded all of the agenda items, and if
11 there's no further --

12 MR. ROEHRICH: Mr. Chairman, if I could take --

13 CHAIRMAN KNIGHT: Yes. Go ahead.

14 MR. ROEHRICH: -- take just one point.

15 I'd like to make special reference to a man I
16 greatly respect and admire. Someone who has been in your chair
17 before and has completed his term on the Board and sat through
18 this whole meeting, which just surprises me after doing it for
19 all those many years, but it's Maricopa County Supervisor Jack
20 Sellers is here and sat in, and it's always a pleasure, sir, to
21 see you again.

22 CHAIRMAN KNIGHT: Yes. And we enjoyed his
23 presence yesterday at the Rural Transportation Summit. He was
24 one of the speakers, and it was -- it was nice to have you back.
25 It probably brings back some memories for him, but anyway, I

1 hope they're good ones.

2 Anyway, it looks like we've covered today's
3 agenda, and if there's no further items for the Board, we're
4 adjourned.

5 (Meeting adjourned at 11:22 a.m.)

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1 STATE OF ARIZONA }
2 COUNTY OF MARICOPA } ss.
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4 BE IT KNOWN that the foregoing proceedings were reported by
5 me, TERESA A. WATSON, Registered Merit Reporter, Certified
6 Reporter, Certificate No. 50876, State of Arizona, from an
7 electronic recording and were reduced to written form under my
8 direction; that the foregoing 91 pages constitute a true and
9 accurate transcript of said electronic recording, all done to
10 the best of my skill and ability.

11 I FURTHER CERTIFY that I am in no way related to any of the
12 parties hereto, nor am I in any way interested in the outcome
13 hereof.

14 DATED at Phoenix, Arizona, this 7th day of January 2024.
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16

17 /s/ Teresa A. Watson

18 TERESA A. WATSON, RMR
19 Certified Reporter
20 Certificate No. 50876
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Adjournment

Chairman Gary Knight adjourned the State Transportation Board Meeting on October 20, 2023.

Meeting adjourned at 11:22a.m. PST.

Not Available for Signature

Gary Knight, Chairman
State Transportation Board

Not Available for Signature

Jennifer Toth, Director
Arizona Department of Transportation